

FARNER-BARLEY & ASSOCIATES, INC.

**Standard Operating Procedures
Employee Handbook**

Revision Date: May 24, 2007

Farner Barley and Associates

Vision Statement

Farner Barley and Associates is an innovative, dynamic, customer sensitive Land Planning, Surveying & Civil Engineering company. Farner-Barley is driven by committed, motivated, and highly skilled people; who utilize state-of-the-art technologies and team work to deliver the highest quality services and products in a timely manner. Farner-Barley offers an environment that encourages the customer participation in the project team in order to promote alignment, attunement, and communication during every step of the project.

Mission Statement

At Farner Barley and Associates our mission is to achieve an optimum return on our investment in human and capital resources. A teamwork system will be developed and implemented that will streamline the organization, improve efficiency, develop leadership, foster responsible and productive decision making, and lead to individual accountability among the members of the team at Farner Barley and Associates.

Values

At Farner Barley and Associates we believe:

The customer's needs are a priority.

Our people are our most important resource.

Our people make responsible and productive decisions, and are willing to be accountable for those decisions.

That continuous improvement organizationally and individually is critical in order to remain on the cutting edge of technology and competition.

Open, honest, two-way communication is vital to operational efficiency and effectiveness.

In fostering an environment that stimulates employee creativity and commitment errors provide opportunities for constructive learning experiences.

It is important to be aware of and in compliance with all regulations.

In consistently providing our employees with Training and Development opportunities.

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Employee Acknowledgment Form

Revision Date: 03/31/05

EMPLOYEE ACKNOWLEDGEMENTFORM

The employee handbook describes important information about Farmer-Barley & Associates, Inc., and I understand that I should consult a company Principal regarding any questions not answered in the handbook. I have entered into my employment relationship with Farmer-Barley & Associates, Inc. voluntarily and acknowledge that there is no specified length of employment. Accordingly, either I or Farmer-Barley & Associates, Inc. can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to Farmer-Barley & Associates, Inc.'s policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only a Principal of Farmer-Barley & Associates, Inc. has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

EMPLOYEE'S NAME (printed):

EMPLOYEE'S SIGNATURE:

DATE:

Customer Relations

Revision Date: 03/31/05

Customers are our organization's most valuable assets. Every employee represents Farner-Barley & Associates, Inc. to our customers and the public. The way we do our jobs presents an image of our entire organization. Customers judge all of us by how they are treated with each employee contact. Therefore, one of our first business priorities is to assist any customer or potential customer. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give to customers.

Our personal contact with the public, our manners on the telephone, and the communications we send to customers are a reflection not only of ourselves, but also of the professionalism of Farner-Barley & Associates, Inc.. Positive customer relations not only enhance the public's perception or image of Farner-Barley & Associates, Inc., but also pay off in greater customer loyalty and increased sales and profit.

Nature of Employment

Revision Date: 03/31/05

This handbook is intended to provide employees with a general understanding of our personnel policies. Employees are encouraged to familiarize themselves with the contents of this handbook, for it will answer many common questions concerning employment with Farner-Barley & Associates, Inc. However, this handbook cannot anticipate every situation or answer every question about employment. It is not an employment contract and is not intended to create contractual obligations of any kind. Neither the employee nor Farner-Barley & Associates, Inc. is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time. In order to retain necessary flexibility in the administration of policies and procedures, Farner-Barley & Associates, Inc. reserves the right to change, revise, or eliminate any of the policies and/or benefits described in this handbook, except for its policy of employment-at-will. The only recognized deviations from the stated policies are those authorized and signed by a Principal of Farner-Barley & Associates, Inc.

Employee Relations

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that Farner-Barley & Associates, Inc. amply demonstrates its commitment to employees by responding effectively to employee concerns.

Equal Employment Opportunity

Revision Date: 03/31/05

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Farner-Barley & Associates, Inc. will be based on merit, qualifications, and abilities. Farner-Barley & Associates, Inc. does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, or any other characteristic protected by law.

This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Business Ethics and Conduct

Revision Date: 03/31/05

The successful business operation and reputation of Farner-Barley & Associates, Inc. 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 Farner-Barley & Associates, Inc. is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to Farner-Barley & Associates, Inc., its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

Farner-Barley & Associates, Inc. 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, with the Business Manager for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every Farner-Barley & Associates, Inc. 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.

Conflicts of Interest

Revision Date: 03/31/05

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 Farnier-Barley & Associates, Inc. wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Principals for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the executive level of Farnier-Barley & Associates, Inc.. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific executive-level approval. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of Farnier-Barley & Associates, Inc.'s business dealings. For the purposes 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 firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of Farnier-Barley & Associates, Inc. as soon as possible the existence of any actual or potential conflict of interest 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 with which Farnier-Barley & Associates, Inc. does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving Farnier-Barley & Associates, Inc..

Outside Employment

Revision Date: 03/31/05

Employees may hold outside jobs as long as they meet the performance standards of their job with Farner-Barley & Associates, Inc. All employees will be judged by the same performance standards and will be subject to Farner-Barley & Associates, Inc.'s scheduling demands, regardless of any existing outside work requirements.

If Farner-Barley & Associates, Inc. determines that an employee's outside work interferes with performance or the ability to meet the requirements of Farner-Barley & Associates, Inc. as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with Farner-Barley & Associates, Inc.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside Farner-Barley & Associates, Inc. for materials produced or services rendered while performing their jobs.

Non-Disclosure

Revision Date: 03/31/05

The protection of confidential business information and trade secrets is vital to the interests and the success of Farner-Barley & Associates, Inc. Such confidential information includes, but is not limited to, the following examples:

- *compensation data
- *computer programs and codes
- *customer lists
- *customer preferences
- *financial information
- *pending projects and proposals
- *technological data

Employees who are exposed to confidential information may be required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose confidential business information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information.

Job Posting

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, notices of all regular, full-time job openings are posted, although Farner-Barley & Associates, Inc. reserves its discretionary right to not post a particular opening.

Job openings will be posted in the e-mail system and normally remain open for 14 days. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications (required skills and abilities).

To be eligible to apply for a posted job, employees must have performed competently for at least 180 calendar days in their current position. Employees who have a written warning on file, or are on probation or suspension are not eligible to apply for posted jobs. Eligible employees can only apply for those posted jobs for which they possess the required skills, competencies, and qualifications.

To apply for an open position, employees should submit a job posting application to the Business Manager listing job-related skills and accomplishments. It should also describe how their current experience with Farner-Barley & Associates, Inc. and prior work experience and/or education qualifies them for the position.

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

Employment Categories

Revision Date: 05/24/07

It is the intent of Farner-Barley & Associates, Inc. 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. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and Farner-Barley & Associates, Inc..

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by Farner-Barley & Associates, Inc. management.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work Farner-Barley & Associates, Inc.'s full-time schedule. Generally, they are eligible for Farner-Barley & Associates, Inc.'s benefit package, subject to the terms, conditions, and limitations of each benefit program. PART-TIME employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than 30 hours per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for all of Farner-Barley & Associates, Inc.'s other benefit programs. TEMPORARY employees are those who are hired 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 employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of Farner-Barley & Associates, Inc.'s other benefit programs.

Employment Reference Checks

Revision Date: 03/31/05

Employment Reference Checks to ensure that individuals who join Farner-Barley & Associates, Inc. are well qualified and have a strong potential to be productive and successful, it is the policy of Farner-Barley & Associates, Inc. to check the employment references of all applicants.

Employee's Requesting References

Revision Date: 03/31/05

The Business Manager will respond in writing only to those reference check inquiries that are submitted in writing. 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.

Personnel Data Changes

Revision Date: 03/31/05

It is the responsibility of each employee to promptly notify Farner-Barley & Associates, Inc. of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Business Manager.

Introductory Period

Revision Date: 03/31/05

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Farner-Barley & Associates, Inc. uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Farner-Barley & Associates, Inc. may end the employment relationship at will 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 90 calendar days after their date of hire. Any significant absence will automatically extend an introductory period by the length of the absence. If Farner-Barley & Associates, Inc. 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.

Upon satisfactory completion of the introductory period, employees enter the "regular" employment classification. During the introductory period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. After becoming regular employees, they may also be eligible for other Farner-

Barley & Associates, Inc.-provided benefits, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirements.

Employment Applications

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. 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 has been hired, termination of employment.

Performance Evaluation

Revision Date: 03/31/05

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. A formal written/verbal performance evaluation may be conducted at the end of an employee's initial period of hire, known as the introductory period. Additional performance evaluations may be conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Job Descriptions

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. makes every effort to create and maintain accurate job descriptions for all positions within the organization. Each description includes a job information section, a job summary section (giving a general overview of the job's purpose), an essential duties and responsibilities section, a supervisory responsibilities section, a qualifications section (including education and/or experience, language skills, mathematical skills, reasoning ability, and any certification required), a physical demands section, and a work environment section.

Farner-Barley & Associates, Inc. maintains job descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, and establishing a basis for making reasonable accommodations for individuals with disabilities.

The Principal's, Business Manager and the Hiring Manager prepare job descriptions when new positions are created. Existing job descriptions are also reviewed and revised in order to ensure that they are up to date. Job descriptions may also be rewritten periodically to reflect any changes in the position's duties and responsibilities. All employees will be expected to help ensure that their job descriptions are accurate and current, reflecting the work being done.

Employees should remember that job descriptions do not necessarily cover every task or duty that might be assigned, and that additional responsibilities may be assigned as necessary. Contact the Business Manager if you have any questions or concerns about your job description.

Employee Benefits

Revision Date: 03/31/05

Eligible employees at Farmer-Barley & Associates, Inc. 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.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Our Business Manager can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are available to eligible employees:

- *401(k) Savings Plan
- *Health Insurance
- *Holidays
- *Jury Duty Leave
- *Vacation Benefits
- * Long Term Disability

Some benefit programs require contributions from the employee, but most are fully paid by Farmer-Barley & Associates, Inc.

Paid Time Off

Effective Date: 3/31/2005

Additional PTO hours may be awarded by the Principals*PAID TIME OFF (PTO) ACCRUAL RATES**

EMPLOYEE CLASSIFICATION	TIME EMPLOYED (YEARS COMPLETED)	MINIMUM VACATION DAYS
<i>ENGINEER, P.E.</i>	1 - 3	128 HOURS
	4 & BEYOND	168 HOURS
<i>LAND SURVEYOR, PSM</i>	1 - 3	128 HOURS
	4 & BEYOND	168 HOURS
<i>ENGINEER/PROJECT MANAGER</i>	1 - 5	128 HOURS
	6 & BEYOND	168 HOURS
<i>ENGINEER/SURVEY TECH I</i>	1 - 5	128 HOURS
	6 & BEYOND	168 HOURS
<i>TECH II</i>	1 & BEYOND	128 HOURS
<i>PARTY CHIEF</i>	1 - 8	128 HOURS
	9 & BEYOND	168 HOURS
<i>INSTRUMENT MAN</i>	1 & BEYOND	128 HOURS
<i>ROD MAN</i>	1 & BEYOND	88 HOURS
<i>CLERICAL</i>	1 - 6	88 HOURS
	7 & BEYOND	128 HOURS
<i>ADMINISTRATIVE ASST.</i>	1 - 5	128 HOURS
	6 & BEYOND	168 HOURS
<i>ACCOUNTING</i>	1 - 5	128 HOURS
	6 & BEYOND	168 HOURS

Paid Time Off

Revision Date: 05/24/07

Once employees enter an eligible employment classification, (30 or more hours per pay period—full time classification) they begin to earn Paid Time Off according to the schedule (Page 17). Employees can request use of PTO time after 90 days of full time employment.

Paid Time Off can be used in minimum increments of one hour. To take PTO, employees should request advance approval from their supervisors. A maximum of 80 hours (2 weeks) may be taken at one time, without prior approval by a Principal. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

Paid Time Off is paid at the employee's base pay rate at the time of use. It does not include overtime or any special forms of compensation such as incentives, bonuses, or allowances.

Employees are encouraged to use available PTO for illness, rest, relaxation, and personal pursuits. In the event that available PTO is not used by the end of the benefit year, employees will be allowed to roll up to 80 hours over into the next year benefit period.

Employees will be allowed to cash in, up to one half (1/2) your accrued time or 40 hours once per year, which ever is less.

Upon termination of employment, employees will be paid for unused PTO that has been earned through the last full week of work. If an employee terminates their job and gives a two week notice, then all hours up to 128 will be paid out at 100%; hours in excess of 128 will be paid out at a rate of 50%.

When an employee terminates their job with a negative balance---that amount figured at current hourly rate will be deducted from their final check.

Holidays

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. will grant holiday time off to all employees on the holidays listed below:

- *New Year's Day (January 1)
- *Memorial Day (last Monday in May)
- *Independence Day (July 4)
- *Labor Day (first Monday in September)
- *Thanksgiving (fourth Thursday in November)
- *Day after Thanksgiving
- *Christmas (December 25)

Farner-Barley & Associates, Inc. will grant paid holiday time off to all eligible employees

who have completed 90 calendar days of service in an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day.

Workers' Compensation Insurance

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. 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 supervisor immediately. 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. Neither Farner-Barley & Associates, Inc. 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 Farner-Barley & Associates, Inc.

Time Off to Vote

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. encourages employees to fulfill their civic responsibilities by participating in elections. 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 nonworking hours, Farner-Barley & Associates, Inc. will grant up to 2 hours of paid time off to vote.

Employees should request time off to vote from their supervisor 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

Revision Date: 03/31/05

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. Up to three days of paid bereavement leave will be provided to eligible employees in the following classification(s):

***Full-time employees:**

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, bonuses.

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

Farner-Barley & Associates, Inc. defines "immediate family" as the employee's spouse, parent, child, sibling; the employee's spouse's parent, child, or sibling; the employee's child's spouse; grandparents or grandchildren. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.

Jury Duty

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees who have completed a minimum of one (1) year of service in an eligible classification may request up to 1 week of paid jury duty leave over any 1 year period. Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Employee classifications that qualify for paid jury duty leave are:

Full-time employees:

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off (for example, Paid Time Off benefits) or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either Farner-Barley & Associates, Inc. or the employee may request an excuse from jury duty if, in Farner-Barley & Associates, Inc.'s judgment, the employee's absence would create serious operational difficulties. Farner-Barley & Associates, Inc. will continue to provide health insurance benefits for the full term of the jury duty absence. Vacation, sick leave, and holiday benefits will continue to accrue during unpaid jury duty leave.

Witness Duty

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. encourages employees to appear in court for witness duty when subpoenaed to do so.

If employees have been subpoenaed or otherwise requested to testify as witnesses by Farner-Barley & Associates, Inc., they will receive paid time off for the entire period of witness duty.

Employees will be granted a maximum of 8 (eight) hours of paid time off to appear in court as a witness at the request of a party other than Farner-Barley & Associates, Inc. Employees will be paid at their base rate and are free to use any remaining paid leave benefits (Paid Time Off) to receive compensation for any period of witness duty absence that would otherwise be unpaid.

The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence. The employee is expected to report for work whenever the court schedule permits.

Benefits Continuation (COBRA)

Revision Date: 03/31/05

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under Farner-Barley & Associates, Inc.'s health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at Farner-Barley & Associates, Inc.'s group rates plus an administration fee. Farner-Barley & Associates, Inc. provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Farner-Barley & Associates, Inc.'s health insurance plan. The notice contains important information about the employee's rights and obligations.

Health Insurance

Revision Date: 03/31/05

Farner-Barley & Associates, Inc.'s health insurance plan provides employees and their dependents access to medical insurance benefits. Employees in the following employment classifications are eligible to participate in the health insurance plan:

Full-time employees:

Eligible employees may participate in the health insurance plan subject to all terms and conditions of the agreement between Farner-Barley & Associates, Inc. and the insurance carrier. A change in employment classification that would result in loss of eligibility to participate in the health insurance plan may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) policy for more information.

Details of the health insurance plan are described in the Summary Plan Description (SPD). An SPD and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact the Benefits Manager for more information about health insurance benefits.

401(k) Savings Plan

Revision Date: 03/31/06

Farner-Barley & Associates, Inc. has established a 401(k) savings plan to provide employees the potential for future financial security for retirement.

To be eligible to join the 401(k) savings plan, you must complete (12) twelve months of service and be 21 years of age or older. You may join the plan only during open enrollment periods. Eligible employees may participate in the 401(k) plan subject to all terms and conditions of the plan.

The 401(k) savings plan allows you to elect how much salary you want to contribute so you can tailor your own retirement package to meet your individual needs.

Because your contribution to a 401(k) plan is automatically deducted from your pay before federal and state tax withholdings are calculated, you save tax dollars now by having your current taxable amount reduced. While the amounts deducted generally will be taxed when they are finally distributed, favorable tax rules typically apply to 401(k) distributions.

Complete details of the 401(k) savings plan are described in the Summary Plan Description available to eligible employees. Contact the Benefits Manager for more information about the 401(k) plan.

Timekeeping

Revision Date: 03/31/05

Accurately recording time worked is the responsibility of every employee. Federal and state laws require Farmer-Barley & Associates, Inc. to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Timesheets are to be turned in by 9:00 AM the following business day with the correct project number/task number and description of work properly noted.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment. If corrections or modifications are made to the time record, both the employee and the supervisor must verify the accuracy of the changes by initialing the time record.

Paydays

Revision Date: 03/31/05

All employees are paid weekly on Thursday. Each paycheck will include earnings for all work performed through the end of the previous payroll period. In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday. If a regular payday falls during an employee's vacation, the employee may receive his or her earned wages before departing for vacation if a written request is submitted at least one week prior to departing for vacation.

Subject to change by Principals:

Pay periods begin on Wednesday, and run until the following Tuesday. Checks are distributed on Thursday, after 4:00 PM.

Employment Termination

Revision Date: 03/31/05

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:

*Resignation - voluntary employment termination initiated by an employee.

*Discharge - involuntary employment termination initiated by the organization.

*Layoff - involuntary employment termination initiated by the organization for non-disciplinary reasons.

Farner-Barley & Associates, Inc. will generally 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 Farner-Barley & Associates, Inc., or return of Farner-Barley & Associates, Inc.-owned property. Suggestions, complaints, and questions can also be voiced. Since employment with Farner-Barley & Associates, Inc. is based on mutual consent, both the employee and Farner-Barley & Associates, Inc. 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. 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.

Work Schedule

Revision Date: 03/31/05

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending work schedule times, as well as variations in the total hours that may be scheduled each day and week.

Overtime

Revision Date: 03/31/05

Farner Barley and Associates, Inc. seeks to avoid unnecessary overtime through the efficient arrangement of schedules and projects. Any form of overtime must have authorization by project managers of Farner Barley and Associates, Inc. prior to being undertaken.

Overtime hours shall be approved based upon a demonstrated need to meet a client's scheduled deadline. Overtime shall be limited to maximum of ten (10) hours per week, unless client's needs demand otherwise.

Full and part-time hourly employees will be compensated for time actually worked beyond the 40 (forty) hour work week. **We will not use your PTO hours to complete these 40 (forty) hours.**

Full and part-time salaried employees are expected to work as long as is necessary to get their respective tasks and projects completed.

Use of Equipment and Vehicles

Revision Date: 04/01/06

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Please notify the supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

All employees granted the use of a company vehicle will be responsible for routine maintenance, oil changes and services. Farner Barley and Associates, Inc. shall pay for routine services and mechanical maintenance.

Routine vehicle cleanings/washing shall be the employee's responsibility. Farner Barley and Associates, Inc. expect each employee granted the use of a vehicle to keep it clean. Farner Barley and Associates, Inc. shall pay for each company vehicle to be detailed no more than two (2) times per year.

No one other than a Farner Barley and Associates, Inc. employee who is currently listed as an approved driver may under any circumstance operate a Farner Barley and Associates, Inc. vehicle.

All vehicle maintenance expenses that may run over (\$100.00) one hundred dollars must be approved by the Business Manager prior to the expenditure.

Personal Vehicle Use Information:

Employees who use personal cars for Company business will be reimbursed at (.42) Forty-two cents per mile or (.25) twenty-five cents per mile if a Company Credit Card is used for fuel.

Business Travel Expenses

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the Principal.

Employees whose travel plans have been approved are responsible for making their own travel arrangements.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by Farner-Barley & Associates, Inc. Employees are expected to limit expenses to reasonable amounts.

Employees who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. **Vehicles owned, leased, or rented by Farner-Barley & Associates, Inc. may not be used for personal use without prior approval.**

When travel is completed, employees should submit completed travel expense reports within (14) fourteen days. Reports should be accompanied by receipts for all individual expenses.

Employees should contact the Business Manager for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

Computer and E-mail Usage

Revision Date: 03/31/05

Computers, computer files, the e-mail system, and software furnished to employees are Farner-Barley & Associates, Inc. property intended for business use. Employees should not use a password, access a file, or retrieve any stored communication without authorization. To ensure compliance with this policy, computer and e-mail usage may be monitored.

Farner-Barley & Associates, Inc. strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, Farner-Barley & Associates, Inc. prohibits the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others. Farner-Barley & Associates, Inc. purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, Farner-Barley & Associates, Inc. does not have the right to reproduce such software for use on more than one computer. Employees may only use software on local area networks or on multiple machines according to the software license agreement. Farner-Barley & Associates, Inc. prohibits the illegal duplication of software and its related documentation.

Employees should notify their immediate supervisor, the System Administrator or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

Internet Usage

Revision Date: 03/31/05

Internet access to global electronic information resources on the World Wide Web is provided by Farmer-Barley & Associates, Inc. to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. While Internet usage is intended for job-related activities, incidental and occasional brief personal use is permitted within reasonable limits.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Farmer-Barley & Associates, Inc. and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful. The equipment, services, and technology provided to access the Internet remain at all times the property of Farmer-Barley & Associates, Inc. As such, Farmer-Barley & Associates, Inc. reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law. The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

Abuse of the Internet access provided by Farmer-Barley & Associates, Inc. in violation of law or Farmer-Barley & Associates, Inc. policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- *Sending or posting discriminatory, harassing, or threatening messages or images
- *Using the organization's time and resources for personal gain
- *Stealing, using, or disclosing someone else's code or password without authorization
- *Copying, pirating, or downloading software and electronic files without permission
- *Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- *Violating copyright law
- *Failing to observe licensing agreements
- *Engaging in unauthorized transactions that may incur a cost to the organization or initiate

unwanted Internet services and transmissions

*Sending or posting messages or material that could damage the organization's image or reputation

*Participating in the viewing or exchange of pornography or obscene materials

*Sending or posting messages that defame or slander other individuals

*Attempting to break into the computer system of another organization or person

*Refusing to cooperate with a security investigation

*Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities

*Using the Internet for political causes or activities, religious activities, or any sort of gambling

*Jeopardizing the security of the organization's electronic communications systems

*Sending or posting messages that disparage another organization's products or services

*Passing off personal views as representing those of the organization

*Sending anonymous e-mail messages

*Engaging in any other illegal activities

In recent years the Internet has become an increasingly dangerous place, particularly for corporate networks.

There are currently more than 67,000 Viruses, Worms and Trojans active on the Internet, and more are being discovered daily. With that in mind, no one is to download and install anything from the Internet without prior approval from the System Administrator, and under no circumstances is anyone to visit a music sharing or downloading site from a company computer.

Workplace Monitoring

Revision Date: 03/31/05

Workplace monitoring may be conducted by Farner-Barley & Associates, Inc. to ensure quality control, employee safety, security, and customer satisfaction. Computers furnished to employees are the property of Farner-Barley & Associates, Inc. As such, computer usage and files may be monitored or accessed.

Because Farner-Barley & Associates, Inc. is sensitive to the legitimate privacy rights of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

Cell Phone Usage

Revision Date: 02/02/06

Farner-Barley & Associates, Inc. provides cellular telephones to some employees as a business tool. They are provided to assist employees in communicating with management and other employees, their clients, associates, and others with whom they may conduct business. Cell phone use is primarily intended for business-related calls. However, occasional, brief personal use is permitted within a reasonable limit. Cell phone invoices will be regularly monitored.

As a Farner-Barley & Associates, Inc. representative, cell phone users are reminded that the regular business etiquette employed when speaking from office phones or in meetings applies to conversations conducted over a cell phone.

Medical Leave

Revision Date: 02/02/06

Farner-Barley & Associates, Inc. provides medical leaves of absence without pay to eligible employees who are temporarily unable to work due to a serious health condition or disability. For purposes of this policy, serious health conditions or disabilities include inpatient care in a hospital, hospice, or residential medical care facility; and continuing treatment by a health care provider.

Farner Barley & Associates, Inc. follows the Family Medical Leave Act, using the rolling calendar method.

Full Time eligible employees may request medical leave only after having completed (90) ninety days calendar days of service. Exceptions to the service requirement will be considered to accommodate disabilities. Eligible employees should make requests for medical leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

A health care provider's statement must be submitted verifying the need for medical leave and its beginning and expected ending dates. Any changes in this information should be

promptly reported to Farner-Barley & Associates, Inc. Employees returning from medical leave must submit a health care provider's verification of their fitness to return to work.

Eligible employees are normally granted leave for the period of the disability, up to a maximum of 12 weeks within any 12 month period. Any combination of medical leave and family leave may not exceed this maximum limit. If the initial period of approved absence proves insufficient, consideration will be given to a request for an extension. Employees will be required to first use any accrued paid leave time before taking unpaid medical leave.

Employees who sustain work-related injuries are eligible for a medical leave of absence for the period of disability in accordance with all applicable laws covering occupational disabilities. Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits will continue to be provided by Farner-Barley & Associates, Inc. When the employee returns from medical leave, benefits will again be provided by Farner-Barley & Associates, Inc. according to the applicable plans. Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on medical leave is requested to provide Farner-Barley & Associates, Inc. with at least two weeks advance notice of the date the employee intends to return to work. When a medical leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified.

If an employee fails to return to work on the agreed upon return date, Farner-Barley & Associates, Inc. will assume that the employee has resigned.

Employee Conduct and Work Rules

Revision Date: 03/31/05

To ensure orderly operations and provide the best possible work environment, Farmer-Barley & Associates, Inc. expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- *Theft or inappropriate removal or possession of property
- *Falsification of timekeeping records
- *Working under the influence of alcohol or illegal drugs
- *Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- *Fighting or threatening violence in the workplace
- *Boisterous or disruptive activity in the workplace
- *Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- *Insubordination or other disrespectful conduct
- *Violation of safety or health rules
- *Smoking in prohibited areas
- *Sexual or other unlawful or unwelcome harassment
- *Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- *Excessive absenteeism or any absence without notice
- *Unauthorized absence from work station during the workday
- *Unauthorized use of telephones, mail system, or other employer-owned equipment
- *Violation of personnel policies
- *Unsatisfactory performance or conduct

Employment with Farmer-Barley & Associates, Inc. is at the mutual consent of Farmer-Barley & Associates, Inc. and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

Drug and Alcohol Use

Revision Date: 03/31/06

1 Purpose and Goal

Farner Barley & Associates, Inc. is committed to protecting the safety, health and well being of all employees and other individuals in our workplace. We recognize that alcohol abuse and drug use pose a significant threat to our goals. We have established a drug-free workplace program that balances our respect for individuals with the need to maintain an alcohol and drug-free environment.

* This policy recognizes that employee involvement with alcohol and other drugs can be very disruptive, adversely affect the quality of work and performance of employees, pose serious health risks to users and others, and have a negative impact on productivity and morale.

* As a condition of employment, this organization requires that employees adhere to a strict policy regarding the use and possession of drugs and alcohol.

* This organization encourages employees to voluntarily seek help with drug and alcohol problems.

Covered Workers

Any individual who conducts business for the organization, is applying for a position or is conducting business on the organization's property is covered by our drug-free workplace policy. Our policy includes, but is not limited to executive management, supervisors, full-time employees, part-time employees and interns.

Applicability

Our drug-free workplace policy is intended to apply whenever anyone is representing or conducting business for the organization. Therefore, this policy applies whenever conducting business or representing the organization and while on Farner Barley & Associates, Inc. property.

Prohibited Behavior

It is a violation of our drug-free workplace policy to use, possess, sell, trade, and/or offer for sale alcohol, illegal drugs or intoxicants.

Notification of Convictions

Any employee who is convicted of a criminal drug violation in the workplace must notify the organization in writing within five calendar days of the conviction. The organization will take appropriate action within 30 days of notification. Federal contracting agencies will be notified when appropriate.

Searches

Entering the organization's property constitutes consent to searches and inspections. If an individual is suspected of violating the drug-free workplace policy, he or she may be asked to submit to a search or inspection at any time. Searches can be conducted of desks, work stations and company vehicles and equipment.

Consequences

One of the goals of our drug-free workplace program is to encourage employees to voluntarily seek help with alcohol and/or drug problems. If, however, an individual violates the policy, the consequences are serious.

In the case of applicants, if he or she violates the drug-free workplace policy, the offer of employment can be withdrawn. The applicant may not reapply.

Return-to-Work Agreements

Following a violation of the drug-free workplace policy, an employee may be offered an opportunity to participate in rehabilitation. In such cases, the employee must sign and abide by the terms set forth in a Return-to-Work Agreement as a condition of continued employment.

Assistance

Farnar Barley & Associates, Inc. recognizes that alcohol and drug abuse and addiction are treatable illnesses. We also realize that early intervention and support improve the success of rehabilitation. To support our employees, our drug-free workplace policy:

- * Encourages employees to utilize the services of qualified professionals in the community to assess the seriousness of suspected drug or alcohol problems and identify appropriate sources of help.

- * Allows the use of accrued paid leave while seeking treatment for alcohol and other drug problems.

Treatment for alcoholism and/or other drug use disorders may be covered by the employee benefit plan. However, the ultimate financial responsibility for recommended treatment belongs to the employee.

Confidentiality

All information received by the organization through the drug-free workplace program is confidential communication. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies.

Shared Responsibility

A safe and productive drug-free workplace is achieved through cooperation and shared responsibility. Both employees and management have important roles to play.

All employees are required to not report to work or be subject to duty while their ability to perform job duties is impaired due to on- or off-duty use of alcohol or other drugs.

In addition, employees are encouraged to:

- * Be concerned about working in a safe environment.
- * Support fellow workers in seeking help.
- * Report dangerous behavior to their supervisor.

It is the supervisor's responsibility to:

- * Inform employees of the drug-free workplace policy.
- * Observe employee performance.
- * Investigate reports of dangerous practices.
- * Document negative changes and problems in performance.
- * Clearly state consequences of policy violations.

Communication

Communicating our drug-free workplace policy to both supervisors and employees is critical to our success. To ensure all employees are aware of their role in supporting our drug-free workplace program:

- * All employees will receive a written copy of the policy.
- * The policy will be reviewed in orientation sessions with new employees.
- * The policy and assistance programs will be reviewed at safety meetings.

Sexual and Other Unlawful Harassment

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, sexual orientation, or any other legally protected characteristic will not be tolerated.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- * Unwanted sexual advances.
- * Offering employment benefits in exchange for sexual favors.

- * Making or threatening reprisals after a negative response to sexual advances.
- * Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- * Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- * Verbal sexual advances or propositions.
- * Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- * Physical conduct that includes touching, assaulting, or impeding or blocking movements.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Business Manager or any other member of management. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Business Manager or any member of management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

Attendance and Punctuality

Revision Date: 03/31/05

To maintain a safe and productive work environment, Farmer-Barley & Associates, Inc. expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on Farmer-Barley & Associates, Inc. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

Personal Appearance

Revision Date: 03/31/05

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image Farmer-Barley & Associates, Inc. presents to customers and visitors.

During business hours or when representing Farmer-Barley & Associates, Inc., you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards. This is particularly true if your job involves dealing with customers or visitors in person.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. If your supervisor feels your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, you will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability. Without unduly restricting individual tastes, the following personal appearance guidelines should be followed:

- *Shoes must provide safe, secure footing, and offer protection against hazards.
- *Mustaches and beards must be clean, well trimmed, and neat.
- *Hairstyles are expected to be in good taste.

Return of Property

Revision Date: 02/02/06

Employees are responsible for all Farner-Barley & Associates, Inc. property, materials, or written information issued to them or in their possession or control. Employees must return all Farner-Barley & Associates, Inc. property immediately upon request or upon termination of employment. All keys must be returned before final paycheck is issued.

Resignation

Revision Date: 03/31/05

Resignation is a voluntary act initiated by the employee to terminate employment with Farner-Barley & Associates, Inc. Although advance notice is not required, Farner-Barley & Associates, Inc. requests at least (2) two weeks written notice of resignation from nonexempt employees and (4) four weeks' notice from exempt employees. Prior to an employee's departure, an exit interview will be scheduled to discuss the reasons for resignation and the effect of the resignation on benefits. If an employee does not provide advance notice as requested, the employee will be considered ineligible for rehire.

Solicitation

Revision Date: 03/31/05

In an effort to ensure a productive and harmonious work environment, persons not employed by Farner-Barley & Associates, Inc. may not solicit or distribute literature in the workplace at any time for any purpose.

Farner-Barley & Associates, Inc. recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time. (Working time does not include lunch periods, work breaks, or any other periods in which employees are not on duty.) Examples of impermissible forms of solicitation include:

- *The sale of goods, services, or subscriptions outside the scope of official organization business
- *The circulation of petitions
- *The distribution of literature not approved by the employer
- *The solicitation of memberships, fees, or dues

In addition, the posting of written solicitations on company bulletin boards is restricted. These bulletin boards display important information, and employees should consult them frequently for:

- *Affirmative Action statement
- *Employee announcements
- *Organization announcements
- *Payday notice
- *Workers' compensation insurance information

If employees have a message of interest to the workplace, they may submit it to the Business Manager for approval.

Progressive Discipline

Revision Date: 03/31/05

The purpose of this policy is to state Farner-Barley & Associates, Inc.'s position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

Farner-Barley & Associates, Inc.'s own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future. Although employment with Farner-Barley & Associates, Inc. is based on mutual consent and both the employee and Farner-Barley & Associates, Inc. have the right to terminate employment at will, with or without cause or advance notice, Farner-Barley & Associates, Inc. may use progressive discipline at its discretion.

Disciplinary action may call for any of four steps -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed.

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to termination of employment.

Farner-Barley & Associates, Inc. recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.

By using progressive discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and Farner-Barley & Associates, Inc.

Problem Resolution

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. is committed to providing the best possible working conditions for its employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from Farner-Barley & Associates, Inc. supervisors and management.

Farner-Barley & Associates, Inc. strives to ensure fair and honest treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with Farner-Barley & Associates, Inc. in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when employees believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The employee may discontinue the procedure at any step.

1. Employee presents problem to immediate supervisor after incident occurs. If supervisor is unavailable or employee believes it would be inappropriate to contact that person, employee may present problem to Business Manager or any other member of management.
2. Supervisor responds to problem during discussion or after consulting with appropriate management, when necessary. Supervisor documents discussion.
3. Employee presents problem to Business Manager if problem is unresolved.
4. Business Manager counsels and advises employee, assists in putting problem in writing, visits with employee's manager(s), if necessary, and directs employee to Principal for review of problem.
5. Employee presents problem to Principal in writing.
6. Principal reviews and considers problem. Principal informs employee of decision and forwards copy of written response to Business Manager for employee's file. The Principal has full authority to make any adjustment deemed appropriate to resolve the problem. Problems, disputes, or claims not resolved through the preceding problem resolution steps are subject to mediation.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees and management develop confidence in each other. This confidence is important to the operation of an efficient and harmonious work environment, and helps to ensure everyone's job security.

Workplace Etiquette

Revision Date: 03/31/05

Farner-Barley & Associates, Inc. strives to maintain a positive work environment where employees treat each other with respect and courtesy. Sometimes issues arise when employees are unaware that their behavior in the workplace may be disruptive or annoying to others. Many of these day-to-day issues can be addressed by politely talking with a co-worker to bring the perceived problem to his or her attention. In most cases, common sense will dictate an appropriate resolution. Farner-Barley & Associates, Inc. encourages all employees to keep an open mind and graciously accept constructive feedback or a request to change behavior that may be affecting another employee's ability to concentrate and be productive.

The following workplace etiquette guidelines are not necessarily intended to be hard and fast work rules with disciplinary consequences. They are simply suggestions for appropriate workplace behavior to help everyone be more conscientious and considerate of co-workers and the work environment. Please contact the Business Manager if you have comments, concerns, or suggestions regarding these workplace etiquette guidelines.

- *Avoid public accusations or criticisms of other employees. Address such issues privately with those involved or your supervisor.**
- *Refrain from using inappropriate language (swearing) that others may overhear.**
- *Monitor the volume when listening to music, voice mail, or a “Nextel” speakerphone that others can hear.**