



EMPLOYEE HANDBOOK

US Employees

Revision Date: August 2019

Welcome

Welcome to CPM! We are delighted that you have chosen to join our organization and hope that you will enjoy a long and successful career with us. As you become familiar with our culture and mission, we hope you will take advantage of opportunities to enhance your career and further CPM's goals.

You are joining an organization that has a reputation for outstanding leadership, innovation, and expertise. Our employees use their creativity and talent to invent new solutions, meet new demands, and offer the most effective services/products in the industry. With your active involvement, creativity, and support, CPM will continue to achieve its goals. We sincerely hope you will take pride in being an important part of CPM's success.

Please take time to review the policies contained in this handbook, as well as the handbook(s) which pertain to the site(s) with which you will interact. If there is conflict between this handbook and site-specific policies, this handbook governs, unless otherwise noted. If you have questions, feel free to ask your supervisor, or to contact the Human Resources Department.

TABLE OF CONTENTS

Employment at Will

Equal Opportunity and Commitment to Diversity

- Equal Opportunity
- Americans with Disabilities Act (ADA) and Reasonable Accommodation
- Harassment and Complaint Procedure
- Commitment to Diversity

Conflicts of Interest and Confidentiality

- Conflicts of Interest
- Confidential Information

Employment Relationship

- Employment Classification
- Deductions from Pay/Safe Harbor

Workplace Safety

- Drug-Free and Alcohol-Free Workplace
- Workplace Violence Prevention
- Commitment to Safety

Workplace Guidelines

- Job Performance
- Outside Employment
- Social Media Acceptable Use
- Computers, Internet, Email, and Other Resources

Time Off and Leaves of Absence

- Family and Medical Leave
- Military Leave
- Bereavement Leave
- Jury Duty/Court Appearance
- Time Off for Voting

Employee Handbook Acknowledgment and Receipt

Receipt of Harassment Policy

Employment at Will

Employment at CPM is on an at-will basis. This means that Employees have the right to terminate the employment relationship with CPM at any time, with or without notice, for any reason. The Company has the same right to terminate the employment relationship at any time, with or without notice for any reason not prohibited by law.

Nothing in this employee handbook is intended to or creates an employment agreement, express or implied. Nothing contained in this or any other document provided to the employee is intended to be, nor should it be, construed as a contract that employment or any benefit will be continued for any period of time. In addition, only CPM, or an authorized representative has the authority to enter into an agreement that alters the at-will relationship.

Any salary figures provided to an employee in annual or monthly terms are stated for the sake of convenience or to facilitate comparisons and are not intended and do not create an employment contract for any specific period of time. Nothing in this statement is intended to interfere with, restrain, or prevent concerted activity as protected by Section 7 of the NLRA.

Policy for Equal Opportunity, Non-Discrimination, and Anti-Harassment.

Equal Employment Opportunity

CPM is committed to providing equal employment opportunities. CPM strives to maintain a work environment where all individuals are treated with respect. CPM prohibits all forms of unlawful discrimination and harassment. All qualified applicants and employees will be considered for employment and advancement without regard to sex, race, religion, creed, color, national origin, age, pregnancy, disability, sexual orientation, gender identity, genetic information or history, marital or family status, citizenship status, or any other status protected by company policy and/or applicable laws. This policy applies to all employment practices and terms and conditions of employment, including but not limited to hiring, promotions, transfers, compensation, terminations, training, and participation in Company sponsored benefits or programs.

Employees should raise any concerns they might have regarding possible discrimination or harassment using the complaint procedure described below in Part IV of this policy. No retaliation will be permitted against anyone who brings forth a complaint.

II. Disability Accommodation

Our Company is committed to providing equal employment opportunities to all employees, including qualified individuals with disabilities. This may include providing reasonable accommodation, where appropriate.

This reasonable accommodation may include common conditions related to pregnancy or childbirth. A poster describing your rights under the law is posted in the work area.

In general, it is your responsibility to notify Human Resources if you have a need for an accommodation. Upon doing so, the Company may ask you for your input, the type of accommodation you believe may be necessary, or the functional limitations caused by the disability. Also, when appropriate, the Company may need your written permission to obtain additional information from your physician or other medical or rehabilitation professional. Any information obtained is kept in a confidential employee file.

All requests for reasonable accommodations will be considered consistent with the business needs of the Company in accordance with state and federal law. All questions should be discussed with Human Resources.

III. Discrimination, Harassment, and Other Inappropriate Conduct

CPM is committed to maintaining a work environment that is free from discrimination and harassment, including unlawfully intimidating, hostile, or offensive conduct. Harassment of any kind shows disrespect for others and is not appropriate. As explained below, CPM prohibits discrimination, harassment, and other inappropriate conduct that is based on or is directed toward someone because of that person's sex, race, religion, creed, color, national origin, age, pregnancy, disability, sexual orientation, gender identity, marital or family status, citizenship status, genetic information or history, other protected class status, or any other unlawful basis. Voice-mail and electronic communications (such as e-mail, text messaging, and social media use) are covered by this policy in the same manner as other communications and actions.

A. Persons Covered

Discrimination and harassment that is prohibited under this policy includes that which is committed by managers, supervisors, co-workers, or non-employees, including leased employees, independent contractors working for CPM, vendors, suppliers, customers, and clients. Employees must not engage in prohibited conduct against other Company employees or personnel of CPM, independent contractors, vendors, suppliers, customers, or clients.

B. Prohibited Conduct

For the purpose of this policy, prohibited conduct includes verbal, visual, written, or physical conduct that:

(a) relates to another person's sex, race, religion, creed, color, national origin, age, pregnancy, disability, sexual orientation, gender identity, marital status or family status, citizenship status, genetic information or history, ancestry, marital status, Veteran status, sealed or expunged arrest record, off-duty tobacco use, creed, GED rather than high school diploma, use of service animal, relationship or association with disabled person, AIDS/HIV, lawful use of lawful product when not at work, and sickle cell or hemoglobin C trait, or other status protected by law, or

(b) is directed toward another person because of that person's sex, race, religion, creed, color, national origin, age, pregnancy, disability, sexual orientation, gender identity, marital status or family status, citizenship status, genetic information or history, ancestry, marital status, Veteran status, sealed or expunged arrest record, off-duty tobacco use, creed, GED rather than high school diploma, use of service animal, relationship or association with disabled person, AIDS/HIV, lawful use of lawful product when not at work, and sickle cell or hemoglobin C trait,, or other status protected by law, where such conduct may have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Prohibited conduct may include, among other things, telling ageist or sexist jokes or making offensive or derogatory remarks about another person's race, ancestry, national origin, age, sexual orientation, family status, gender identity, disability, or other status protected by law; and showing pictures or viewing internet postings that are offensive or derogatory to any particular protected class (such as pornography, racial posts, and the like). Prohibited conduct also includes, among other things, sexual harassment, discussed further below. Engaging in prohibited conduct under this policy will lead to disciplinary action, up to and including termination.

Sexual harassment is one form of harassment. It can involve a wide range of subtle or overt behaviors and can involve individuals of the same or different gender, regardless of the sexual orientation of those individuals. CPM prohibits conduct that may lead to sexual harassment, such as suggestive sexual comments, jokes, or innuendos; the use of sexually degrading words; persistent, unwelcome flirtation or persistent and unwelcome invitations for dates or other social activities; unwelcome sexual advances or passes; propositions or subtle pressure for sexual activities; sexual or graphic remarks or questions about a person's body, clothing, or sexual activities; offensive touching; or displays or communication of sexually suggestive pictures, e-mail, web displays or internet sites, objects, or clothing. Sexual harassment or any other type of harassment is unacceptable both in the workplace and in a work-related setting outside the workplace.

Prohibited conduct may occur not only through personal contact, comments, visual displays, or observation, but also through exposure to media such as e-mail; display of Internet sites, including social networking sites, or other material or information on computer monitors; or broadcasts containing sexually explicit, vulgar, profane, or otherwise offensive language. Any individual who engages in sexual or other harassment covered by this policy will be subject to disciplinary action, up to and including termination.

IV. Complaint Procedure

A. Reporting Concerns of Harassment and Discrimination or Other Inappropriate or Prohibited Conduct

1. *Non-Supervisory Employee Responsibility:* CPM desires and expects any employee, applicant for employment, or other person who is aware of or subject to possible discrimination,

harassment, or other conduct that is prohibited by CPM's Policy for Equal Opportunity, Non-Discrimination, and Anti-Harassment to immediately notify his/her immediate manager/supervisor, his/her manager's manager, or any Human Resources representative. CPM may ask that complaints be put in writing, to facilitate the investigation process.

2. Supervisory Employee Responsibility: Supervisors or managers who become aware of any incident or alleged incident of discrimination, harassment, or other prohibited conduct by employees or non-employees, including leased employees, independent contractors working for CPM, vendors, suppliers, customers, and clients, must immediately report it directly to a Human Resources representative or his/her manager. Supervisors and managers who receive complaints of possible discrimination, harassment, or other conduct prohibited by this policy must consult with a Human Resources representative before undertaking an investigation or other action. If a Human Resources representative is not immediately available, the supervisor or manager may take reasonable action to temporarily separate the complaining employee and the accused employee, without penalizing either one, pending the involvement of a Human Resources representative.

Any supervisor or manager who fails to report allegations of discrimination, harassment, or other prohibited conduct promptly or who otherwise fails to properly handle the allegations may be subject to discipline, up to and including termination of employment.

B. Investigation and Response

CPM will take prompt action to appropriately investigate all reported concerns of discrimination, harassment, or other conduct prohibited by this policy. The person raising concerns will be notified of the results of the investigation.

CPM will take immediate and appropriate corrective action, to the extent possible, consistent with the results of the investigation. Depending upon the nature of the concerns and the result of the investigation, resolution may include informal/formal counseling, formal discipline, discharge, or other action. Immediate and appropriate steps will also be taken if any non-employee (such as an independent contractor, vendor, supplier, customer, or client) is found to have discriminated, harassed, retaliated, or engaged in other conduct by this policy.

C. Confidentiality and Non-Retaliation

Reports of discrimination, harassment, or other prohibited conduct will be kept confidential to the extent possible, consistent with the need for a thorough investigation and to protect the complaining party from any concerns of retaliation or reprisal, which is expressly prohibited by this policy. Although CPM cannot always guarantee confidentiality of a matter, it will work to handle matters in a way that will address the area of concern without disrupting working relationships.

CPM will not retaliate or take any form of reprisal against any individual (whether it is a witness or the victim) because he or she reports any discrimination, harassment, or other conduct prohibited by this policy or participates in an investigation into such complaint or concern, and any such retaliation or reprisal by a Company employee, manager or supervisor is forbidden.

Retaliation may include, but is not limited to, treating differently any person believed or assumed to have reported a complaint or concern, or to have come forward with information about another person's complaint or concern, or subjecting them to different or adverse terms and conditions of employment (i.e. demoting them, scheduling them for less favorable shifts, etc.). If you experience or witness any retaliation you believe to be prohibited by the policy, you must report it immediately. In no case will CPM tolerate retaliation. Any employee, supervisor or manager who retaliates against another employee or witness because of a complaint of discrimination, harassment, or other prohibited conduct, or because of participation in any investigation, will be subject to discipline, up to and including termination of employment. CPM strongly encourages all employees to report any incident of possible retaliation immediately.

D. Request for Additional Review

If the person raising the concern under this Complaint Procedure is not satisfied with the action taken by CPM, the person may submit to the General Counsel or the Human Resources Director, a written request that the matter receive additional review. At his or her discretion, the General Counsel or the Human Resources Director may request a meeting with the person raising the concern, further investigate the concern, impose discipline on the offending individual, or take other appropriate action. The person raising the concern will be notified of the result of the review.

Commitment to Diversity

CPM is committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives. This commitment is embodied in company policy and the way we do business at CPM and is an important principle of sound business management.

Conflicts of Interest and Confidentiality

Conflicts of Interest

CPM expects all employees to conduct themselves and company business in a manner that reflects the highest standards of ethical conduct, and in accordance with all federal, state, and local laws and regulations. This includes avoiding real and potential conflicts of interests.

Exactly what constitutes a conflict of interest or an unethical business practice is both a moral and a legal question. CPM recognizes and respects the individual employee's right to engage in activities outside of employment which are private in nature, and do not in any way conflict with, or reflect poorly on, CPM.

It is not possible to define all the circumstances and relationships that might create a conflict of interest. If a situation arises where there is a potential conflict of interest, the employee should discuss this with a manager for advice and guidance on how to proceed. The list below suggests some of the types of activity that indicate improper behavior, unacceptable personal integrity, or unacceptable ethics:

1. Simultaneous employment by another firm that is a competitor of or supplier to CPM.
2. Carrying on company business with a firm in which the employee, or a close relative of the employee, has a substantial ownership or interest.
3. Holding a substantial interest in, or participating in the management of, a firm to which CPM makes sales or from which it makes purchases, or that is a competitor of CPM.
4. Borrowing money from customers or firms, other than recognized loan institutions, from which our company buys services, materials, equipment, or supplies.
5. Accepting substantial gifts or excessive entertainment from an outside organization or agency.
6. Speculating or dealing in materials, equipment, supplies, services, or property purchased by CPM.
7. Participating in civic or professional organization activities in a manner that divulges confidential company information.
8. Misusing privileged information or revealing confidential data to outsiders.
9. Using one's position in CPM or knowledge of its affairs for personal gains.
10. Engaging in practices or procedures that violate antitrust laws, commercial bribery laws, copyright laws, discrimination laws, campaign contribution laws, or other laws regulating the conduct of company business.

Confidential Information

The protection of confidential business information and trade secrets is vital to the interests and success of CPM. Confidential information is any and all information disclosed to or known by you because of employment with CPM, which is not generally known to people outside CPM, about its business.

An employee who improperly uses or discloses trade secrets or confidential business information will be subject to disciplinary action up to and including termination of employment and legal action, even if he or she does not actually benefit from the disclosed information.

All inquiries from the media must be referred to the Human Resources Director.

This provision is not intended to interfere with, restrain, or prevent concerted activity as protected by Section 7 of the NLRA.

Employment Relationship

Employment Classification

In order to determine eligibility for benefits and overtime status and to ensure compliance with federal and state laws and regulations, CPM classifies its employees as shown below. CPM may review or change employee classifications at any time.

Exempt.

Employees who are paid on a salaried basis and whose positions are exempt from the minimum wage, overtime and certain timekeeping provisions of the Fair Labor Standards Act, as amended and applicable state law. Exempt employees are paid a pre-determined amount of pay regardless of the number of hours they work each week. Exempt employees are not eligible to receive overtime pay.

Nonexempt. Employees who are paid on an hourly or salaried basis whose positions are not exempt from minimum wage, overtime and timekeeping provisions of the Fair Labor Standards Act, as amended and applicable state law. Non-exempt employees are eligible to receive overtime pay.

Regular, Full-Time. Employees who are not in a temporary status and work a minimum of 30 hours weekly and maintain continuous employment status. Generally, these employees are eligible for the full-time benefits package and are subject to the terms, conditions, and limitations of each benefits program.

Regular, Part-Time. Employees who are not in a temporary status and who are regularly scheduled to work fewer than 30 hours weekly, but at least 20 hours weekly, and who maintain continuous employment status. Part-time employees are eligible for some of the benefits offered by CPM and are subject to the terms, conditions, and limitations of each benefits program.

Temporary, Full-Time. Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work CPM's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Temporary, Part-Time. Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work fewer than 30 hours weekly for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

If applicable, additional clarification of Employment Status may be viewed in the site-specific addendum.

Deductions from Pay/Safe Harbor Exempt Employees

CPM does not make improper deductions from the salaries of exempt employees and complies with the salary basis requirements of the Fair Labor Standards Act (FLSA). Employees classified as exempt from the overtime pay requirements of the FLSA will be notified of this classification at the time of hire or change in position.

Permitted deductions. The FLSA limits the types of deductions that may be made from the pay of an exempt employee. Deductions that are permitted include:

- Deductions that are required by law, e.g., income taxes;
- Deductions for employee benefits when authorized by the employee;
- Absence from work for one or more full days for personal reasons other than sickness or disability;
- Absence from work for one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness;
- Offset for amounts received as witness or jury fees, or for military pay; or
- Unpaid disciplinary suspensions of one or more full days imposed in good faith for workplace conduct rule infractions.

During the week an exempt employee begins work for CPM or during the last week of employment, the employee will only be paid for actual hours worked. In addition, an employee may be paid only for hours worked during a period when the employee is using unpaid leave under the Family and Medical Leave Act (FMLA).

Improper deductions. If an employee classified as exempt believes that an improper deduction has been taken from his or her pay, the employee should immediately report the deduction to the Human Resources Department. The report will be promptly investigated and if it is found that an improper deduction has been made, CPM will reimburse the employee for the improper deduction.

Workplace Safety

Drug-Free and Alcohol-Free Workplace

It is the policy of CPM Holdings to maintain a workplace that is free from the health and safety-related consequences of drug and alcohol use and abuse. You are required to report to work in appropriate mental and physical condition to perform your job.

While on Company premises and/or conducting business-related activities at any location, you may not use, possess, distribute, sell or be under the influence of alcohol or illegal drugs. You may be subject to drug and alcohol testing according to the policy and should review the policy on the bulletin boards or see Human Resources for more details.

The legal use of prescribed drugs is permitted on the job only if it does not impair your ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace. The abuse of prescribed drugs is also prohibited in the workplace. You must notify your supervisor or Human Resources of the use of prescribed drugs or other substances that may affect your ability to perform your job.

If a Company sponsored event approves the serving of alcohol, or conducting business with customers includes alcohol use, employees are expected to consume responsibly and behave professionally in accordance with our policies. Employees are also responsible for using a safe means of transportation if alcohol is consumed in these circumstances.

In consideration of workplace safety, you should notify your supervisor or Human Resources if you observe any violations of this policy.

Failure to comply with any part of this policy may result in corrective action up to and including termination.

Workplace Violence Prevention

CPM is committed to providing a safe, violence-free workplace for our employees. Due to this commitment, we discourage employees from engaging in any physical confrontation with a violent or potentially violent individual or from behaving in a threatening or violent manner. Threats, threatening language, or any other acts of aggression or violence made toward or by any employee will not be tolerated. A threat may include any verbal or physical harassment or abuse, attempts to intimidate others, menacing gestures, stalking, or any other hostile, aggressive, and/or destructive actions taken for the purposes of intimidation. This policy covers any violent or potentially violent behavior that occurs in the workplace or at company-sponsored functions.

All CPM employees bear the responsibility of keeping our work environment free from violence or potential violence. Any employee who witnesses or is the recipient of violent behavior should promptly inform their supervisor, manager, or the Human Resources Department. All threats will be promptly investigated. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat in good faith under this guideline.

Any individual engaging in violence against CPM, its employees, or its property will be prosecuted to the full extent of the law. All acts will be investigated, and the appropriate action will be taken. Any such act or threatening behavior may result in disciplinary action up to and including termination.

CPM prohibits the possession of weapons on its property at all times. Additionally, while on duty, employees may not carry a weapon of any type. Weapons include, but are not limited to, handguns, rifles, automatic weapons, and knives that can be used as weapons (excluding pocketknives, utility knives, and other instruments that are used to open packages, cut string, and for other miscellaneous tasks). See site-specific addendum for specific site requirements. Upon reasonable suspicion, CPM reserves the right to inspect all belongings of employees on its

premises, including packages, briefcases, purses and handbags, gym bags, and personal vehicles on company property. In addition, CPM may inspect the contents of lockers, storage areas, file cabinets, desks, and work stations at any time and may remove all Company property and other items that are in violation of Company rules and policies. In cases involving serious misconduct, or any time the supervisor determines it is necessary, such as a major breach of policy, theft (including scrap material), or violation of law, the company reserves the right to take immediate action. Typically, the supervisor should suspend the employee immediately (with or without pay) and an investigation of the incidents leading up to the suspension should be conducted to determine if any further action, such as termination, should be taken.

Commitment to Safety

Protecting the safety of our employees and visitors is the most important aspect of running our business.

All employees have the opportunity and responsibility to contribute to a safe work environment by using commonsense rules and safe practices and by notifying management when any health or safety issues are present. All employees are encouraged to partner with management to ensure maximum safety for all.

In the event of an emergency, notify the appropriate emergency personnel by dialing 911 to activate the medical emergency services.

Workplace Guidelines

Job Performance

Communication between employees and supervisors or managers is very important. Discussions regarding job performance are ongoing and often informal. Employees should initiate conversations with their supervisors if they feel additional ongoing feedback is needed.

Outside Employment

Employees are permitted to work a second job if it does not interfere with their job performance with CPM. Employees with a second job are expected to work their assigned schedules. A second job will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours.

If outside work activity causes or contributes to job-related problems, it must be discontinued, or the employee may be subject to disciplinary action, up to and including termination.

Computers, Internet, Email, and Other Resources

CPM provides a wide variety of communication tools and resources to employees for use in running day-to-day business activities. Whether it is the telephone, voice mail, fax, scanner, Internet, intranet, e-mail, text messaging, or any other company-provided technology, use should be reserved for business-related matters during working hours. All communication using these tools should be handled in a professional and respectful manner.

Employees should not have any expectation of privacy in their use of company computer, phone, or other communication tools. All communications made using company-provided equipment or services including email and internet activity, are subject to inspection by CPM. Employees should keep in mind that even if they delete an email, voicemail or other communication, a copy may be archived on CPM's systems.

Employee use of company-provided communication systems, including personal e-mail and internet use, that are not job-related have the potential to drain, rather than enhance, productivity and system performance. You should also be aware that information transmitted through e-mail and the internet is not completely secure or may contain viruses or malware, and information you transmit and receive could damage CPM's systems as well as the reputation and/or competitiveness of CPM. To protect against possible problems, delete any e-mail messages prior to opening that are received from unknown senders and advertisers. It also is against company policy to turn off antivirus protection software or make unauthorized changes to system configurations installed on company computers. Violations of this policy may result in disciplinary action up to and including termination.

CPM encourages employees to use e-mail only to communicate with fellow employees, suppliers, customers, or potential customers regarding company business. Internal and external e-mails, as well as text messages, are considered business records and may be subject to

federal and state recordkeeping requirements as well as to discovery in the event of litigation. Be aware of this possibility when sending e-mails within and outside CPM.

All use of company-provided communications systems, including e-mail, internet use, and text messaging should conform to our company guidelines/policies, including but not limited to the Equal Opportunity, Harassment, Confidential Information, and Conflicts of Interest. So for example, employees should not engage in harassing or discriminatory behavior that targets other employees or individuals because of their protected class status or make defamatory comments. Similarly, employees should not divulge confidential information such as trade secrets, client lists, or information restricted from disclosure by law on social media sites. Any violation of copyright laws is strictly prohibited. Utilizing a company network to download non-work-related music, movies, etc. is not allowed.

Because e-mail, cell phone, telephone and voice mail, and internet communication equipment are provided for company business purposes and are critical to CPM's success, your communications may be accessed without further notice by Information Technology department administrators and company management to ensure compliance with this guideline.

The electronic communication systems are not secure and may allow inadvertent disclosure, accidental transmission to third parties, etc. Sensitive information should not be sent via unsecured electronic means.

CPM reserves the right to monitor customer calls to ensure employees abide by company quality guidelines and provide appropriate levels of customer service. Employees working in sales and customer service may be subject to telephone and e-mail monitoring. Should the subject matter of any telephone conversation become personal while monitoring is taking place, monitoring of the call will immediately be discontinued.

Time Off and Leaves of Absence

Family and Medical Leave

CPM complies with the federal Family and Medical Leave Act (FMLA), which requires employers to grant unpaid leaves of absence to qualified workers for certain medical and family-related reasons. CPM also abides by any state and local leave laws. The more generous of the laws will apply to the employee if the employee is eligible under both federal and state laws.

Please note there are many requirements, qualifications, and exceptions under these laws, and each employee's situation is different. Contact the Human Resources department to discuss options for leave.

The FMLA requires private employers with 50 or more employees and all public agencies, including state, local, and federal employers, and local education agencies (schools), to provide eligible employees up to 12 weeks of unpaid, job-protected leave in any 12-month period for certain family and medical reasons. The 12-month period is a rolling period measured

backward from the date an employee uses any FMLA leave, except for leaves to care for a covered servicemember with a serious illness or injury. For those leaves, the leave entitlement is 26 weeks in a single 12-month period, measured forward from the date an employee first takes that type of leave.

Basic Leave Entitlement. The FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons: (1) for incapacity due to pregnancy, prenatal medical care, or child birth; (2) to care for the employee's child after birth or placement for adoption or foster care; (3) to care for the employee's spouse, son or daughter, or parent who has a serious health condition; or (4) for a serious health condition that makes the employee unable to work.

Military Family Leave Entitlements. Eligible employees with a spouse, son, daughter, or parent on active duty or called to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include addressing issues that arise from (1) short notice of deployment (limited to up to seven days of leave); (2) attending certain military events and related activity; (3) arranging childcare and school activities; (4) addressing certain financial and legal arrangements; (5) attending certain counseling sessions; (6) spending time with covered military family members on short-term temporary rest and recuperation leave (limited to up to five days of leave); (7) attending post-deployment reintegration briefings; (8) arranging care for or providing care to a parent who is incapable of self-care; and (9) any additional activities agreed upon by the employer and employee that arise out of the military member's active duty or call to active duty.

The FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties and for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Medical and other benefits. During an approved family/medical leave, CPM will maintain your health benefits as if you continued to be actively employed, if you continue to pay for the cost of insurance premiums. If paid leave is substituted for unpaid family/medical leave, CPM will deduct your portion of the health plan premium as a regular payroll deduction and/or bill you for the cost of insurance premiums. Failure to pay premiums in a timely manner may result in loss of benefits.

Employee Eligibility. The FMLA defines eligible employees as employees who: (1) have worked for CPM for at least 12 months; (2) have worked for CPM for at least 1,250 hours in the previous 12 months

Definition of Serious Health Condition. A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical

care facility or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school, work, or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave. An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced work schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. If leave is unpaid, CPM will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave, CPM may temporarily transfer you to an available alternative position that better accommodates your recurring leave and which has equivalent pay and benefits. Leave due to qualifying exigencies also may be taken on an intermittent or reduced work schedule basis.

Leave is unpaid. Family medical leave is unpaid leave (although you may be eligible for short- or long-term disability payments and/or workers' compensation benefits under those insurance plans). The substitution of paid leave time for unpaid leave time does not extend the 12-week leave period. Further, in no case can the substitution of paid leave time for unpaid leave time result in your receipt of more than 100 percent of your salary. Your family/medical leave runs concurrently with other types of leave, i.e., paid vacation, if you so choose to take it.

Employee Responsibilities. Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with CPM's normal call-in procedures. CPM may delay leave to employees who do not provide proper advance notice of the foreseeable need for leave, absent unusual circumstances preventing the notice.

Additionally, if you are planning a medical treatment, you must consult with CPM first regarding the dates of such treatment. CPM has Request for Family/Medical Leave forms available from the human resources department. You should use these forms when requesting leave. Employees also must inform CPM if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also are required to provide a certification and periodic recertification supporting the need for leave. CPM also may require a second, and if necessary, a third opinion (at CPM's expense) and, when the leave is a result of the employee's own serious health condition, a fitness for duty report to return to work. CPM also may delay or deny approval of leave for lack of proper medical certification.

Medical certification. If you are requesting leave because of your own or a covered relation's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification forms from the human resources

department. When you request leave, CPM will notify you of the requirement for medical certification and when it is due (no more than 15 days after you request leave). If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before the leave begins. Failure to provide requested medical certification in a timely manner may result in denial of leave until it is provided. CPM, at its expense, may require an examination by a second health care provider designated by CPM, if it reasonably doubts the medical certification you initially provide. If the second health care provider's opinion conflicts with the original medical certification, CPM, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. CPM may require subsequent medical recertification. Failure to provide requested certification within 15 days, except in extraordinary circumstances, may result in delay of further leave until it is provided.

Reporting while on leave. If you take leave because of your own serious health condition or to care for a covered relation, you must maintain contact with CPM through your supervisor or Human Resources at least once per month regarding the status of the condition and your intention to return to work. In addition, you must give notice as soon as is practicable (within two business days if feasible) if the dates of the leave change, are extended, or were unknown initially.

Company Responsibilities. CPM will inform employees requesting leave whether they are eligible under the FMLA. If they are, the notice will specify any additional information required as well as the employees' rights and responsibilities. If employees are not eligible, CPM will provide a reason for the ineligibility.

CPM will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's FMLA leave entitlement. If CPM determines that the leave is not FMLA-protected, CPM will notify the employee.

Other Provisions. Under an exception to the Fair Labor Standards Act (FLSA) in the FMLA regulations, hourly amounts may be deducted for unpaid leave from the salary of executive, administrative, and professional employees; outside sales representatives; certain highly-skilled computer professionals; and certain highly compensated employees who are exempt from the minimum wage and overtime requirements of the FLSA, without affecting the employee's exempt status. This special exception to the "salary basis" requirements for the FLSA's exemptions extends only to eligible employees' use of FMLA leave.

Employees may not perform work for self-employment or for any other employer during an approved leave of absence, except when the leave is for military or public service or when CPM has approved the employment under its Outside Employment policy and the employee's reason for FMLA leave does not preclude the outside employment.

Military Leave

CPM supports the military obligations of all employees and grants leaves for uniformed service in accordance with applicable federal and state laws. Any employee who needs time off for

uniformed service should immediately notify the Human Resources department and his or her supervisor, who will provide details regarding the leave. If an employee is unable to provide notice before leaving for uniformed service, a family member should notify the supervisor as soon as possible.

Upon return from military leave, employees will be granted the same seniority, pay, and benefits as if they had worked continuously. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination.

All employees who enter military service may accumulate a total absence of 5 years and still retain employment rights.

Bereavement Leave

Employees with more than 3 months' service may take up to 3 days of paid bereavement leave upon the death of a member of their immediate family. "Immediate family members" are defined as an employee's spouse, domestic partner, parents, stepparents, children, and stepchildren, siblings, grandparent, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or grandchild.

CPM may require verification of the need for the leave. The employee's supervisor and Human Resources will consider this time off on a case-by-case basis.

Payment for bereavement leave is computed at the regular hourly rate to a maximum of 8 hours for 1 day. Time off granted in accordance with this policy shall not be credited as time worked for the purpose of computing overtime.

Jury Duty/Court Appearance

CPM supports employees in their civic duty to serve on a jury. Employees must present any summons to jury duty to their supervisor as soon as possible after receiving the notice to allow advance planning for an employee's absence.

Nonexempt employees will be paid for up to 1 week of jury duty service at their regular rate of pay minus any compensation received from the court for the period of service. Exempt employees are subject to the same 1-week limitation except that they will also receive pay for any days they serve as a juror or witness in a workweek in which they actually perform work. All employees have the option to use any accrued time off if required to serve more than 1 week on a jury. This is not required.

If an employee is released from jury duty after 4 hours or less of service, he or she must report to work for the remainder of that work day.

Time for appearance in court for personal business will be the individual employee's responsibility. Normally, personal days or vacation days will be used for this purpose.

Time Off for Voting

CPM recognizes that voting is a right and privilege of being a citizen of the United States and encourages employees to exercise their right to vote. In almost all cases, you will have sufficient time outside working hours to vote. If for any reason you think this won't be the case, contact your supervisor to discuss scheduling accommodations.

Attendance

All employees are expected to arrive on time, ready to work every day they are scheduled to work.

If unable to arrive at work on time, or if an employee will be absent for an entire day, the employee must contact the supervisor as soon as possible. Excessive absenteeism or tardiness will result in discipline up to and including termination. Failure to show up or call in for a scheduled shift without prior approval may result in termination. If an employee fails to report to work or call in to inform the supervisor of the absence for 3 consecutive days or more, the employee will be considered to have voluntarily resigned employment.

EMPLOYEE HANDBOOK ACKNOWLEDGMENT AND RECEIPT

I hereby acknowledge that I have received a copy of CPM Holdings' Employee Handbook. I understand that the contents of this handbook are for general information and guidance and it does not constitute a contract. I understand that it replaces and supersedes any previous policies, manual or communications, whether written or oral. I further understand that all contents in this Employee Handbook are subject to change in accordance with applicable laws but employees will be advised of any changes.

I have entered into my employment relationship with CPM Holdings voluntarily and acknowledge that there is no specified length of employment. Employees have the right to terminate the employment relationship with CPM Holdings at any time, with or without notice, for any reason. The Company has the same right to terminate the employment relationship at any time, with or without notice, for any reason not prohibited by law. The Company retains sole discretion to add, delete, or change anything contained in this handbook except employment-at-will.

No employee or representative of CPM Holdings has the authority, at present or in the future, to promise any benefit or enter into an agreement for employment, oral or written, which in any way conflicts with this Employee Handbook or any of these statements, for any specified period of time and no person other than the President has the authority to change any policy, benefit, rule or procedure as stated in this handbook.

I understand it is my responsibility to read and understand the contents of this Employee Handbook and the Appendix including the topics on harassment, attendance, drug and alcohol use, and safety. If I do not understand any provision of the handbook, I shall contact my immediate supervisor or Human Resources for clarification.

Employee Signature _____

Print Name _____ Date _____

Note: All employees will be required to acknowledge receipt of the Employee Handbook by signing this acknowledgement.

This copy is to be removed and placed in the employee's personnel file.