

# RESEARCH AND ENGINEERING DEVELOPMENT LLC

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## EMPLOYEE HANDBOOK

44421 Airport Road, Suite 200  
CALIFORNIA, MD 20619





**Research and Engineering Development, LLC**  
44421 Airport Road, Ste 200  
200  
California, MD 20619

### **HANDBOOK RECEIPT AND ACKNOWLEDGEMENT**

This Employee Handbook was developed to answer frequently asked questions concerning policies and procedures regarding Research and Engineering Development, LLC (RED-INC).

This handbook does not constitute an employment contract between the employee and RED-INC. RED-INC reserves the right to change, modify, suspend, or cancel handbook policy and practices, as needed, at its discretion.

The handbook contains important information concerning timekeeping, security, and other matters for which each employee may be held responsible.

If the handbook does not answer all your questions, please contact the Human Resources Manager (HRM). The HRM is eager to respond to your request for help or additional information. Please read and sign the following statement verifying your receipt and understanding of the employee handbook, including incorporated changes. Provide a signed copy of this form to the HRM for record keeping purposes.

I, \_\_\_\_\_, have received, read, understand, and will abide by the policies and procedures set forth in the 2021 edition of the Research and Engineering Development, LLC handbook.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

INTRODUCTION.....	7
ABOUT RESEARCH AND ENGINEERING DEVELOPMENT, LLC.....	7
CORPORATE VALUES.....	8
PROFESSIONAL CONDUCT.....	8
WORKPLACE ATTIRE POLICY .....	8
JEWELRY AND TATTOO POLICY .....	9
EQUAL EMPLOYMENT.....	9
AFFIRMATIVE ACTION .....	9
THE AMERICANS WITH DISABILITIES ACT .....	10
ANTI-HARASSMENT POLICY .....	10
WORKPLACE VIOLENCE PREVENTION POLICY .....	11
CELL PHONES AND OTHER ELECTRONIC DEVICES POLICY .....	11
SMOKE-FREE WORKPLACE .....	11
CONDITIONS OF EMPLOYMENT.....	12
ORIENTATION.....	12
ANNIVERSARY DATE .....	12
INTRODUCTORY PERIOD .....	12
EMPLOYMENT CLASSIFICATIONS.....	12
PERSONNEL INFORMATION .....	13
COMPENSATION POLICY .....	13
PERFORMANCE REVIEWS.....	14
WORK HOURS .....	14
WORK AT HOME.....	15
PAYROLL INFORMATION .....	15
DIRECT DEPOSIT .....	15
MANDATORY DEDUCTIONS FROM PAY .....	16
VOLUNTARY DEDUCTIONS FROM PAY.....	16
TIMESHEETS .....	16
POST-DIFFERENTIAL PAY AND DANGER PAY.....	16
EMPLOYEE BENEFITS.....	17
OPTIONAL CONTRIBUTORY BENEFITS.....	17
MEDICAL INSURANCE.....	17

DENTAL PLAN .....	17
VISION PLAN.....	17
COMPANY-PAID BENEFITS .....	17
TERM LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE.....	18
SHORT-TERM DISABILITY INSURANCE.....	18
LONG-TERM DISABILITY INSURANCE .....	18
RETIREMENT PLAN .....	18
EMPLOYEE ASSISTANCE PROGRAM .....	19
OTHER VALUABLE EMPLOYEE BENEFITS.....	19
ON-THE-SPOT AWARD .....	19
PERFORMANCE BONUS.....	19
VOLUNTARY GROUP TERM LIFE AND AD&D.....	19
AFLAC .....	20
EDUCATIONAL ASSISTANCE .....	20
RELOCATION EXPENSE REIMBURSEMENT .....	21
WORKERS' COMPENSATION .....	21
UNEMPLOYMENT COMPENSATION.....	21
PAID-TIME-OFF.....	21
MARYLAND EARNED SICK AND SAFE LEAVE .....	22
LEAVE WITHOUT PAY .....	23
PAID HOLIDAYS .....	23
FAMILY MEDICAL LEAVE ACT (FMLA).....	24
REASONABLE ACCOMMODATION FOR DISABILITIES DUE TO PREGNANCY .....	25
BEREAVEMENT.....	26
LEAVE OF ABSENCE .....	27
INCLEMENT WEATHER AND "ACTS OF GOD" .....	27
JURY DUTY OR COURT SUMMONS TO APPEAR AS A WITNESS .....	27
MILITARY TRAINING LEAVE .....	27
TRAVEL.....	28
MAXIMUM PER DIEM RATES .....	28
ELEMENTS OF PER DIEM ALLOWANCE .....	29
TRAVEL EXPENSE REIMBURSEMENTS .....	29
MISCELLANEOUS EXPENSE REIMBURSEMENTS.....	30

COMPUTER SOFTWARE (UNAUTHORIZED COPYING) ..... 30

PROPERTY FURNISHED BY GOVERNMENT/SPONSOR..... 30

PROBLEM SOLVING PROCEDURE ..... 30

DEFENSE HOTLINE..... 30

FACILITY SECURITY ..... 31

    SECURITY CLEARANCE ..... 31

    MAINTAINING A SECURITY CLEARANCE..... 31

    SECURITY TRAINING ..... 32

    COMMON ACCESS CARD (CAC)..... 32

    CLASSIFIED MATERIAL ACCESS AND DISCUSSIONS ..... 33

    VISIT AUTHORIZATION REQUEST ..... 33

    INTERNATIONAL TRAVEL..... 33

    SOCIAL MEDIA POLICY..... 34

    USE OF RED-INC RESOURCES ..... 36

    USE OF GOVERNMENT RESOURCES..... 36

    PROTECTION OF CLASSIFIED INFORMATION ..... 37

    PROTECTION OF GOVERNMENT SENSITIVE/UNCLASSIFIED INFORMATION ..... 37

    PROTECTION OF OTHER SENSITIVE INFORMATION..... 39

    PRIVACY ACT DATA ..... 40

    NETWORK SECURITY ..... 40

    ELECTRONIC MAIL ACCOUNTS ..... 41

    SECURITY INCIDENT REPORTING..... 42

RESTRICT CONFLICTING OUTSIDE ACTIVITIES ..... 42

EMPLOYEE SAFETY ..... 42

    EMPLOYEE RESPONSIBILITIES ..... 42

    SAFE WORK PRACTICES..... 43

    WORK SITE ENVIRONMENT..... 43

    SAFETY AUDITS AND INVESTIGATIONS ..... 44

    SAFETY INSPECTIONS ..... 44

ACCIDENT REPORTS ..... 44

    ACCIDENT REPORTING RECORDS..... 44

    EMPLOYEE RESPONSIBILITIES ..... 45

    TOOLS..... 45

MACHINE SAFETY .....	45
GOVERNMENT SAFETY POINTS OF CONTACT .....	46
STANDARDS OF CONDUCT .....	46
CODE OF BUSINESS ETHICS .....	47
RED-INC DRUG AND ALCOHOL ABUSE POLICY.....	47
DRUG AND ALCOHOL POLICY .....	48
RESIGNATION .....	49
LAYOFF .....	49
CHECKOUT PROCEDURES.....	49
EXIT INTERVIEWS .....	50
RETURN OF COMPANY PROPERTY .....	50
CONTINUATION OF HEALTH INSURANCE BENEFITS (COBRA).....	50
REFERENCES.....	50
RED-INC RESPONSIBILITES .....	50

## **INTRODUCTION**

This Research and Engineering Development, LLC (RED-INC) handbook provides summaries of basic policies, benefits, and work rules important to the employee and the Company. RED-INC may unilaterally amend, supplement, modify, or eliminate one or more of the benefits, work rules, or policies described in this Handbook, or any other employment benefits, work rules, or policies without prior notice.

Employment with RED-INC is "at-will." Both RED-INC and the employee have the right to terminate the employment relationship at any time for any reason. Moreover, nothing in this Handbook constitutes an expressed or implied contract of employment or warranty of benefits. No one has authority to modify this at-will relationship or enter into an employment contract except RED-INC's Corporate Executive Officer (CEO) and then only by written agreement. No other manager, supervisor, team leader, or representative of the Company may make any contract, promise, or commitment contrary to those guidelines outlined in this handbook. Therefore, any alleged contract, promise, or commitment made by any of the foregoing identified individuals shall be unenforceable.

Employees may address questions about topics in this Handbook or other work-related concerns to the CEO, Manager/Team Lead, or the Human Resources Manager (HRM).

## **ABOUT RESEARCH AND ENGINEERING DEVELOPMENT, LLC**

Founded in 1998, RED-INC has provided top level Research, Engineering, and Development services for military weapons systems and warfighter solutions. Our expertise in all areas of performance and integration, coupled with a broad knowledge of human technology, establishes us as a leader in the field of conventional and irregular warfare operations. We are able to identify, adapt, and integrate requirements for any program rapidly, effectively, and cost efficiently. Our corporate office is in California, Maryland. RED-INC also has employees located in various locations.

RED-INC provides Human Systems Integration (HSI) engineering and program support, specializing in design and integration for optimal warfighter performance. Our capabilities in Research, Development, Test, and Evaluation (RDT&E) of complicated military systems are well recognized. The HSI Division of the company spotlights human factors engineering, personnel survivability, operator environmental factors, and system safety. Other areas of expertise include manpower, personnel, training, habitability, and design for maintainer.

Irregular warfare (IW) is defined by the Department of Defense as "a violent struggle among state and no state actors for legitimacy and influence over the relevant populations. IW favors indirect and asymmetrical approaches, though it may employ the full range of military and other capabilities, in order to erode an adversary's power, influence, and will."

This type of warfare demands creative, out-of-box solutions to conditions that never existed until recently. Along with our military and civilian partners, RED-INC develops progressive and flexible products to support Irregular Warfare within the evolving battlefield environment. We work closely with the Department of Defense, federal agencies, and partner nations to find unique techniques to effectively change the balance of power. We continue to identify answers quickly and efficiently through our rapid concept definition and development process, resulting in enhanced IW capabilities for the warfighter within months, not years.



RED-INC also considers investments outside its core business areas to provide a diversification of revenue sources and to leverage the core competencies of its staff. When such investments are made, RED-INC is careful to ensure that core business areas do not suffer and that financial commitments to such efforts fit within the Company's overall investment structure.

RED-INC is a growth-oriented Company that takes significant direction from the ideas and initiative of its workforce. RED-INC endeavors to work in partnership with its employees; RED-INC supports the professional objectives of its employees and expects its employees to support the Company's objectives by providing outstanding services and products to its sponsors.

While the Company is incorporated as a Limited Liability Corporation, it continues to use the acronym RED-INC because of its familiarity and recognition in the business and community of Patuxent River and Lexington Park, MD.

### **CORPORATE VALUES**

RED-INC insists on excellence and accountability in performing every task for the customer. RED-INC values its employees who demonstrate pride, initiative, commitment, integrity, loyalty, and professionalism. RED-INC conducts business with honesty and integrity.

### **PROFESSIONAL CONDUCT**

The continued effectiveness of RED-INC requires that the ethics, conduct, and image of RED-INC personnel be in keeping with the sound professional reputation of the Company and its employees. RED-INC expects employees to follow these standards:

- Employees conduct themselves in a safety-conscious manner so as not to endanger themselves or fellow employees.
- Employees understand, respect, and follow corporate policies.
- Employees produce the highest quality work.
- Employees limit the amount of time spent socializing and fraternizing with co-workers and peers while in the work environment.

### **WORKPLACE ATTIRE POLICY**

It is our desire to provide pleasant working conditions for our employees. We believe that cleanliness and orderliness are essential to efficiency and because client and visitor opinions are influenced by the appearance of our facilities, we expect employees to maintain their share of good housekeeping. Similarly, employee appearance and manner reflect upon individuals and upon the Company as a whole. Employees are expected to adopt and maintain a standard of dress that is appropriate to the job and reflects favorably on REDINC's professional environment. Attire such as sheer clothing that exposes undergarments, halter tops, midriff baring shirts, shorts, tank tops and flip-flops are not considered appropriate work attire. Employees in violation of the workplace attire policy will be sent home to change without pay, for non-exempt employees, for the time so spent. Repeated violations may result in corrective action in accordance with the RED-INC Corrective Action Policy.

## **JEWELRY AND TATTOO POLICY**

Employees should exercise sound business judgment with regard to professional appearance, dress and grooming to enable him/her to be most effective in the performance of his/her duties. Body piercings, body art and accessories should support a professional image. Therefore, tattoos should be covered, and excessive jewelry should be removed during business hours.

If a potential conflict is identified by the employee, the Manager/Team Lead and the HRM will work together to identify appropriate solutions, including providing reasonable accommodation for religious observance. The Manager/Team Lead and the HRM will be responsible for answering questions and resolving issues related to this policy on a case-by-case basis to ensure unique circumstances are appropriately considered.

## **EQUAL EMPLOYMENT**

RED-INC recruits, hires, trains, and promotes individuals and administers personnel actions without regard to an individual's actual or perceived race, color, religion, age, sex (including pregnancy), sexual preference, national origin, military or marital status, status as a qualified individual with a disability, or any other category covered by applicable federal, state, or local law. The preceding also applies to the status of an individual with whom an employee or applicant associates.

## **AFFIRMATIVE ACTION**

It is the policy of Research Engineering and Development, LLC and its top United States executive to support the contractor's affirmative action program to ensure no qualified applicant or employee is discriminated against on the basis of an individual's actual or perceived gender, race, national origin, disability, status as a covered protected veteran or membership in any legally protected class. We are committed to providing equal employment opportunity and affirmative action programs in accordance with federal requirements including for women, minorities, individuals with disabilities, and protected veterans. We shall employ and advance in employment individuals with disabilities and treat qualified individuals without discrimination on the basis of their physical or mental disability.

To demonstrate that commitment and ensure its success, we have established audit and reporting systems to measure the effectiveness of our AAP, indicate any need for remedial action, determine the degree to which our objectives have been attained, determine whether women, minorities and covered, protected veterans have had the opportunity to participate in all company sponsored educational, training, recreational and social activities, and measure our compliance with the program's specific obligations.

Overall responsibility for the implementation of these affirmative action activities is assigned to the CEO with responsibility for administration and oversight assigned to the Human Resources Manager (HRM). Our purpose is to ensure that we recruit, hire, train, retain and promote persons in all job titles, and ensures all other personnel actions are administered without regard to protected status and all employment decisions are based only on valid job requirements, including at the executive level.

No employee or applicant shall be subjected to harassment, intimidation, threats, coercion or discrimination because s/he has engaged in or may engage in any protected activities including filing a complaint, assisting or participating in a related investigation, compliance evaluation, hearing, or any other activity related to the administration of our affirmative action plans or any other Federal, state or

local law requiring equal opportunity for women, minorities, person with disabilities, special disabled veterans, veterans of the Vietnam era, recently separated veterans, other protected veterans or any other legally protected status.

### **THE AMERICANS WITH DISABILITIES ACT**

The Americans with Disabilities Act gives civil rights protection to individuals with disabilities similar to those provided to individuals on the basis of race, color, sex, sexual preference, national origin, age, and religion as well as to provide reasonable accommodation. The Americans with Disabilities Act of 1990 (ADA), with its subsequent revisions and updates, makes it unlawful to discriminate in all employment practices against a qualified individual with a disability, such as employment practices, including job application procedures, hiring, firing, advancement, compensation, training, and other terms, conditions and privileges of employment. It applies to recruitment, advertising, tenure, layoff, leave, fringe benefits, and all other employment related activities.

Under the ADA, a person has a disability if s/he has a physical or mental impairment that substantially limits a major life activity. The ADA also protects individuals who have a record of a substantially limiting impairment, and people who are regarded as having a substantially limiting impairment or associate with an individual with a disability. An individual with a disability must also be qualified to perform the essential functions of the job with or without reasonable accommodation in order to be protected by the ADA.

If an employee has a disability for which one or more reasonable accommodations need to be made, the employee must inform his/her Team Lead or the HRM in order for the Company to accommodate the disability.

### **ANTI-HARASSMENT POLICY**

RED-INC believes employees should enjoy a work environment free from all forms of harassment, including sexual harassment. Harassment consists of unwelcome conduct, whether verbal, physical, or visual, that is based upon an individual's actual or perceived disability, race, color, national origin, religion, age, marital status or veterans' status, sexual orientation, sex, or any other legally protected basis under federal, state or local law. The above includes harassment that is based upon the legally protected status of an individual with whom an employee or applicant associates. RED-INC will not tolerate harassment that affects tangible job benefits or terms and conditions of employment, interferes with an individual's work performance, or creates an intimidating, hostile, or offensive working environment.

Sexual harassment is behavior of a sexual nature that is unwelcome and personally offensive to the recipient. Sexual harassment includes the following examples:

- Unwelcome sexual advances, requests for sexual favors, and verbal or physical conduct made as a condition of employment or employment decisions affecting an employee.
- Sexually oriented conduct that interferes with another employee's work performance.
- Creating a work environment that is intimidating, hostile, or offensive to an employee due to unwelcome sexually oriented conversations, suggestions, requests, directives, or physical contact.

Harassment will not be tolerated on any level. As part of the orientation process, new employees are required to complete a formal sexual harassment training course. In addition, completion of an annual refresher course may be required of employees. RED-INC encourages employees to contact the HRM when they believe an incident or situation involves illegal discrimination or harassment (sexual or otherwise) by a RED-INC employee or a third party.

A Manager/Team Lead who becomes aware of a possible harassment situation must immediately advise the HRM. The Company will handle the matter in an expeditious and lawful manner to ensure that such conduct does not continue. RED-INC will conduct a thorough and impartial investigation of all complaints and will take appropriate corrective action in accordance with the RED-INC Anti-Harassment Policy and Complaint Procedure. The Company will not retaliate against an employee who brings a concern or complaint of harassment. An individual who intentionally makes a false concern or claim of harassment may also be subject to corrective action, up to and including termination.

### **WORKPLACE VIOLENCE PREVENTION POLICY**

RED-INC has adopted a strict policy toward workplace violence; all acts or threats of violence will be taken seriously. A threat or act of violence shall include, but not be limited to, any act or gesture intended to harass or intimidate another person, any act or gesture likely to damage company property, or any act or gesture likely to leave another person injured or fearing injury. Any such act or threat may lead to corrective action, up to and including termination.

All employees are responsible for helping to maintain a violence-free workplace. To that end, each employee is required to govern himself/herself accordingly. In addition, any employee experiencing an act or threat of violence is asked to report such act or threat to the CEO, Manager/Team Lead, or the HRM. Each act or threat of violence will be investigated, and appropriate action will be taken in accordance with the RED-INC Workplace Violence Prevention Policy.

Any employee who has obtained a restraining order against any individual should provide the HRM with a copy of the order and photograph of the individual against whom the order has been placed.

### **CELL PHONES AND OTHER ELECTRONIC DEVICES POLICY**

RED-INC recognizes that cell phones have become valuable tools in conducting business; however, given the current safety concerns regarding the use of these items, the Company has instituted a policy that prohibits any employee from conducting company business on a cell phone or similar electronic device while operating a vehicle. The employee is to pull safely off the road before responding to, or initiating, company related business via an electronic device.

In addition, for employees working or conducting business at Patuxent River Naval Air Station, please be advised that the use of cell phones, blue-tooth, or similar devices are NOT allowed while driving on the base. First time cell phone use on the base while driving is a four-point offense.

### **SMOKE-FREE WORKPLACE**

Smoking is not permitted in the RED-INC office. Employees may smoke outside in the designated smoking area as long as it does not detract from the Company property or business. Employees working at sponsor locations follow the smoking policies at individual locations.

## **CONDITIONS OF EMPLOYMENT**

### **ORIENTATION**

RED-INC believes that a smooth and thorough orientation of each new employee results in a positive integration into the Company's operation. For this reason, new employees are scheduled for orientation promptly following their report date.

### **ANNIVERSARY DATE**

The first day on which an employee reports to work becomes his or her "official" anniversary date. RED-INC uses this anniversary date to compute various conditions and company benefits.

### **INTRODUCTORY PERIOD**

RED-INC considers the first six months of employment an Introductory Period. During this time, the Manger/Team Lead checks with the employee's government sponsor (contract related position) or the employee's immediate supervisor (non-contract related position) frequently to ensure s/he is effectively capable of performing the job. RED-INC also uses this time to determine if the employee understands the work, complies with general policies and procedures, and is compatible with the work environment. Completion of the Introductory Period does not change the "at-will" nature of employment.

### **EMPLOYMENT CLASSIFICATIONS**

A new employee receives an employment classification upon hire. RED-INC hires full-time, part-time, and temporary employees.

**Full-Time Employees** - An employee who is regularly scheduled to work at least 40 hours per week is considered a full-time employee. Full-time employees are eligible to receive Paid-Time-Off (PTO) and holidays, and to participate in all benefit plans currently offered unless otherwise stated in the offer letter.

**Part-Time Employees** - An employee who is generally scheduled to work fewer than 40 hours per week is considered a part-time employee. RED-INC recognizes two classifications of part-time employment; parttime employees who are regularly scheduled to work at least 32 but fewer than 40 hours per week and part-time employees who are regularly scheduled to work fewer than 32 hours a week.

*Part-time employees who are regularly scheduled to work at least 32 but less than 40 hours per week are generally eligible to participate in group health/dental/vision, life, disability insurance plans, and the company's 401k plan on a pro-rated basis. Benefits are pro-rated based on the number of hours an employee works per week. Part-time employees are also eligible to receive a reduced rate of PTO and holiday hours.*

*Part-time employees who are regularly scheduled to work fewer than 32 hours per week are generally not eligible for benefits, with the exception of participating in the RED-INC retirement plan when eligibility requirements have been met.*

**Temporary Employees** - RED-INC occasionally hires employees for specific periods of time or to support a specific project. RED-INC considers these hires temporary employees. The job assignment, work

schedule, and duration of the position are determined on an individual basis. Seasonal employees and college interns are considered temporary employees.

Temporary employees are not eligible for benefits, except those required by contract or provision or state and federal laws.

**Exempt and Non-Exempt Employees** - RED-INC follows federal and state wage and hour laws by classifying employees as "exempt" or "non-exempt" for purposes of establishing eligibility for overtime pay.

Non-Exempt – Compensation is stated as a base hourly rate. A non-exempt employee’s weekly compensation is based on the employee’s hourly rate, adjusted for premium pay (Shipboard duty Pay, Hazardous Duty Pay, etc.) requirements.

- a. Straight Time Hours – The first 40 hours worked (unless identified differently by state law), including paid time off, holidays, and excused company paid absences, each workweek will be paid at the employee’s base hourly rate.
- b. Overtime Hours – Hours worked in excess of 40 straight time hours per workweek will be paid at one and one-half times the employee’s regular rate of pay, including premium pay. Overtime hours must be approved in advance by Manager/Team Lead. Exceptions may be made based in accordance with state laws.

Exempt – Weekly base salary is determined by dividing the annual salary by 52 workweeks per year. Exempt employees are not eligible for overtime pay. Exempt employee compensation is based on a weekly, salaried basis for each workweek in which effort is performed without regard to the number of days or hours worked except as permitted by federal and state wage and hour laws. Additional pay may be permitted in certain circumstances.

**PERSONNEL INFORMATION**

RED-INC’s HRM maintains personnel records and administers employee benefits. Employees may direct questions regarding insurance benefit plans, interpretation of policies, and wages to the HRM. Employees interested in reviewing their personnel file may contact the HRM to arrange a review. Employees may request and receive copies of documents containing their signature. RED-INC takes appropriate measures to ensure information contained in personnel files remains private and confidential. Personnel files are stored in a secured container.

It is important that employee information be accurate. Employees must contact the HRM to update changes in status (marriage status, name or address change, tax status or exemption changes, birth, death, etc.). Incorrect employee information may adversely affect an employee and his/her benefit plans and coverage.

**COMPENSATION POLICY**

RED-INC compensates an employee at a level based primarily on regional wage determination factors. We adjust compensation based on performance and overall contribution to the Company (unless specific Government contracts determine compensation level). Other factors, such as longevity, and experience are also considered. RED-INC bases compensation increases on merit unless specific Government contracts or law determine an increased compensation level.

## **PERFORMANCE REVIEWS**

RED-INC encourages continuous informal communication between the Manager/Team Lead, the employee and the employee's sponsor regarding employee performance. This informal communication takes place throughout an employee's employment; however, the formal appraisal process is an integral part of a RED-INC career. There are three (3) types of formal performance reviews:

- Annual performance review
- Outstanding performance review
- Inadequate performance review

The Manager/Team Lead corresponds informally with a new employee and his/her sponsor for the first six months of employment to ensure all parties are satisfied with the level of work performance. Thereafter, an employee meets with the Manager/Team Lead annually. While the formal annual reviews provide an opportunity to discuss career growth, objectives, training, and other performance-related issues, an employee may request to have these discussions at any time.

The Company's annual performance review process runs from January through December. Informal communications/review will take place during the first six months of employment. Additional performance reviews may be given to identify and evaluate outstanding performance as well as unsatisfactory performance.

The annual performance review process begins in October each year when employees are asked to complete a Self Assessment form and update their resumes. They will also be asked to provide a list of contact information for people who can provide inputs on their work performance. Employees will have four weeks to complete this request.

During November each year, Managers/Team Leads will review their employees updated self-assessments, resumes, and POC lists. Managers/Team Leads will be asked to use the updated information from employees to develop an annual performance evaluation for each employee. Managers/Team Leads will write the performance evaluation for the year and measure employee performance against Goals and Objectives that were laid out for each employee. After the performance evaluation is complete, the Manager/Team Lead will develop new Goals and Objectives for the upcoming year.

Management and Human Resources will meet in early November to discuss merit budget. In December, Managers/Team Leads will meet with each of their employees and present them with their performance evaluations and hold discussions. They will also discuss Goals and Objectives for the upcoming year. Employees should be briefed by 20 December and all final signed documents are to be turned into to the Human Resources Department no later than 31 December.

## **WORK HOURS**

The nature of an employee's work determines his/her workweek and work hours. The Manager/Team Lead discusses work requirements with the employee and determines the employee's regular work schedule at the time of hire, transfer, or promotion. A normal workweek consists of 40 hours of work. If an employee chooses to work a compressed schedule, a two-week period consists of 80 hours of work usually with 44 hours worked one week followed by 36 hours worked the second week. The

compressed schedule is considered to be a privilege and must not conflict with sponsor needs. Upon request, the Manager/Team Lead is responsible for authorizing individuals to work the compressed schedule.

In an effort to maintain internal productivity, organizational efficiency, and overall effectiveness RED-INC has established core work hours of 9 a.m. to 3 p.m. each day. Employees are expected to work during core hours unless his/her work requirements dictate otherwise. Lunch time (non-compensable, minimum of 1/2 hour) may be scheduled anytime during the established work hours and is required for any day's schedule of more than five hours. Part-time employees should work at least half of their schedule during core hours.

Normal work hours may change if the employee's sponsor specifically requests a change to accommodate project objectives or if the employee requests and receives Manager/Team Lead and sponsor approval. The sponsor may change the work location of the employee based on work requirements. If an employee working CWS receives approval to switch their CWS Friday, it must fall within the same pay period.

The Company expects employees to be at the job location and ready for work at the start of their workday. In case of illness or unforeseen absence, the employee must notify the RED-INC Manager/Team Lead and his/her sponsor at the beginning of the workday.

Nothing in this Handbook is a guarantee by RED-INC for hours of work per day, per week, per year, or for any specific work.

### **WORK AT HOME**

Generally, work at home is not permitted. The Manager/Team Lead must approve any exception to this policy. It may be necessary for the Manager/Team Lead to consult with the sponsor before approving work at home. Work at home is subject to the following constraints:

- RED-INC's Manager/Team Lead approves the work to be accomplished. The employee presents the completed work to the Manager/Team Lead for approval and retention in project files for audit purposes.
- The employee accomplishes one hour of work for each hour s/he charges to the task.
- An employee working at home is available by telephone during his/her established work hours.

### **PAYROLL INFORMATION**

RED-INC pays employees on a bi-weekly schedule (every other Fridays). A payroll calendar detailing timesheet dates and payroll dates is published and distributed at the beginning of each calendar year.

### **DIRECT DEPOSIT**

RED-INC offers direct deposit for employee convenience. If an employee wishes to make changes to an existing direct deposit, then a new Direct Deposit Form is required by the employee. Employees must submit the change to the HRM no later than one week prior to payday. Employees should contact the HRM or the Payroll Department for questions regarding the Direct Deposit Form.



### ***MANDATORY DEDUCTIONS FROM PAY***

RED-INC makes certain mandatory deductions from the employee's compensation. These include federal, state, and local income taxes, and employee contributions to Social Security. The employee's pay statement itemizes these deductions. The amount of the deductions depends on individual earnings, the amount of pretax deductions, and the information the employee furnishes on his/her withholding forms regarding the number of dependents/exemptions. Any change in name, address, telephone number, marital status, or number of exemptions must be reported to the HRM immediately to ensure proper withholding.

RED-INC prepares a W-2 form each year that identifies mandatory deductions. The Company explains any other mandatory deduction from an employee's pay (such as a court-ordered attachment) when RED-INC receives an order to make such a deduction.

### ***VOLUNTARY DEDUCTIONS FROM PAY***

An employee may authorize RED-INC to make additional deductions from his/her pay, such as 401(k) retirement plan contributions, loan program payments, additional federal or state withholdings, etc. The employee contacts the HRM for details and authorization forms.

### ***TIMESHEETS***

RED-INC employees must complete a timesheet using the Deltek Costpoint Time & Expense (T&E) electronic timekeeping module. Each employee is responsible for posting work hours to his/her timesheet at the end of each day. Employees complete and submit a timesheet by close of business on the last day of the timesheet period.

Work hours may not be entered in advance. Work hours are entered on the timesheet after work is performed or at the end of the workday. Falsification of a timesheet is considered fraud and subjects the employee to corrective action, up to and including termination.

If an employee is ill and unable to complete their timesheet, the supervisor and/or payroll administrator will complete and sign the timesheet on the employee's behalf and the other will approve. Once the employee returns to work, the employee must review and sign to certify or submit a signed correcting timesheet for any changes.

The employee may enter PTO or Holiday Leave hours in advance on timesheets. Employees may not certify a timesheet before the due date unless the employee will be in PTO or Holiday Leave status when the timesheet is due.

Employee timesheets are reviewed for accuracy and completeness by supervisors prior to approval. If the timesheet requires correction, the supervisor will notify the employee with the necessary corrections. Employees then make all necessary corrections and re-certify the timesheet with their signature.

### ***POST-DIFFERENTIAL PAY AND DANGER PAY***

RED-INC follows the guidelines set forth in the applicable Contract or Delivery Order, in conjunction with the guidelines established by the Department of State, when paying or reimbursing employees for post-

differential or danger pay above and beyond the employee's normal rate of pay. These pay types vary in frequency and amount based on employee location, the time period in question, the extent of employee travel in the location, and current world events. If an employee requires additional information regarding these pay types, s/he is encouraged to immediately contact the Manager/Team Lead, who will work closely with the Navy Contracts Department to implement the pay type(s) in a timely manner.

## **EMPLOYEE BENEFITS**

Benefits described herein are subject to change or termination at the Company's discretion. RED-INC's benefits are discussed in more detail in formal contracts and specific plan documents. If there is any question or conflict in language or interpretation between the contracts and this Handbook, the terms of the actual contracts take precedence over the summaries in this Handbook.

Full-time employees may be eligible to receive full employee benefits as negotiated in written offers of employment. Part-time employees may be eligible for full or partial benefits as specified in written offers of employment.

## **OPTIONAL CONTRIBUTORY BENEFITS**

### ***MEDICAL INSURANCE***

Employees regularly scheduled to work at least 32 hours per week (and their eligible dependents) may be eligible to participate in the medical insurance programs.

RED-INC offers medical insurance options. Eligible employees may choose coverage levels most suited to their individual needs. Enrollment information detailing plan and associated costs are issued to employees at the time of hire. RED-INC and the employee (by means of payroll deduction) share the premium cost for this coverage.

### ***DENTAL PLAN***

RED-INC offers dental coverage for eligible employees. The plans cover benefits such as routine cleanings, exams, x-rays and fillings as well as other services. RED-INC and the employee (by means of payroll deduction) share the premium cost for this coverage. An information packet detailing the dental plan is issued to employees at the time of hire.

### ***VISION PLAN***

RED-INC offers vision coverage for eligible employees. The plan covers benefits such as routine vision exams, frames, lenses and contact lenses. RED-INC and the employee (by means of payroll deduction) share the premium cost for this coverage. An information packet detailing the vision plan is issued to employees at the time of hire.

## **COMPANY-PAID BENEFITS**

RED-INC offers several company-paid benefits that come at no cost to eligible employees.

### ***TERM LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE***

RED-INC offers Group Life and Accidental Death and Dismemberment (AD&D) insurance benefits to employees consistently working at least 32 hours per week. The amount of the life insurance benefit is \$100,000. The company covers the premium cost for as long as the employee works for RED-INC. Details of the plan and the plan booklet are available from the HRM.

Premiums paid by the company for life insurance policy amounts exceeding \$50,000 are considered income to the employee and must be claimed by the employee for income reporting purposes. RED-INC's accountant computes the appropriate figure with the gross income for each employee.

### ***SHORT-TERM DISABILITY INSURANCE***

RED-INC offers short-term disability (STD) insurance plan to eligible employees consistently working at least 32 hours per week. This plan provides loss of income protection if an eligible employee becomes disabled from a covered accidental bodily injury, sickness, or pregnancy. This coverage will pay partial salary benefits (60% of the weekly salary with a maximum benefit of \$1500 per week) to the employee for the first 90 days following the date of the qualified event. Details of the plan and the plan booklet are available from the HRM.

### ***LONG-TERM DISABILITY INSURANCE***

RED-INC offers long-term disability (LTD) insurance plan to eligible employees regularly scheduled to work at least 32 hours per week. This plan provides loss of income protection if an eligible employee becomes disabled from a covered accidental bodily injury, sickness, or pregnancy during the 90-day elimination period (the time an employee must be disabled before benefits are paid) and up to a period covering the next 24 months. A covered accidental bodily injury is considered to be any of the above events that prevent the employee from performing one or more of the Essential Duties of his/her Occupation. During this time, the plan provides a monthly benefit of 66.7% of the monthly salary to a maximum of \$8,000 per month. Details of the plan and the plan booklet are available from the HRM.

### ***RETIREMENT PLAN***

The RED-INC Retirement Plan allows eligible employees to defer part of their income on a tax-favored basis. Employees who satisfy the eligibility requirements are eligible to participate in the plan. The following classifications of employees are excluded: Collective Bargaining Employees, Non-Resident Aliens, and Reclassified Employees.

The plan has the following eligibility requirements: six months of service and attainment of age 18. The plan has monthly entry dates, the first day of each month. Employees are eligible to enter the plan on the next entry date after they meet the eligibility requirements for the plan.

The plan has the following types of contributions available:

- Employee Pre-Tax Deferral Contributions – Employees may elect to contribute a portion of their regular compensation to the plan. There is a minimum of 1% and a maximum election of 75% of regular compensation up to the IRS annual maximum.
- Employer Safe Harbor Matching Contribution – RED-INC will contribute 100% of employee salary deferrals up to 4% of regular compensation each pay period.

- Employer Discretionary Non-Elective Profit Sharing Contributions – RED-INC may make a Discretionary Non-elective Profit Sharing Contribution to qualified employee accounts. This discretionary amount is to be determined by the Company at the end of each plan year and is based on the company’s overall profitability during the recent year.

Employee Deferral contributions, Employer Safe Harbor contributions, and Employer Discretionary Nonelective contributions are always 100% vested immediately.

The plan will accept rollover contributions from other eligible plans.

Detailed plan information is found in the Summary Plan Description which is made available to the employee upon meeting eligibility requirements. The Summary Plan Description is also available on the website. If there are discrepancies between the handbook highlights, the Summary Plan Description, and the Plan document, the Plan document will govern.

### ***EMPLOYEE ASSISTANCE PROGRAM***

Occasionally, personal difficulties arise that affect the quality of employee life and/or job performance. To help employees deal with work and life problems, RED-INC has established an Employee Assistance Program (EAP) administered by Employee Services, Inc. Just as health insurance is designed to address physical health issues, the EAP benefit provides assistance for emotional and mental wellbeing. Employees are encouraged to contact the EAP at 1-800-252-4555 and speak with a qualified counselor regarding personal issues. Employees may also visit [www.theeap.com](http://www.theeap.com) to access thousands of self-help tools and articles related to personal wellbeing.

### **OTHER VALUABLE EMPLOYEE BENEFITS**

#### ***ON-THE-SPOT AWARD***

The RED-INC On-the-Spot (OTS) Award program is designed to provide Managers/Team Leads with the opportunity to recognize specific employee achievement in a timely manner. Details of the program can be found in the RED-INC On-the-Spot (OTS) Award Policy.

#### ***PERFORMANCE BONUS***

Each year the Company allocates a pool of discretionary dollars (influenced by individual and overall corporate performance) for distribution as performance bonuses among eligible employees demonstrating, at minimum, Meets Expectation rating. This bonus is in addition to regular compensation and is considered a reward for innovative, effective and efficient job performance. The amount of bonus is dependent on the employee’s performance evaluation and the amount of money allocated for the year based on the Company meeting its goals. Bonuses are calculated at the end of each calendar year.

#### ***VOLUNTARY GROUP TERM LIFE AND AD&D***

Voluntary Group Term Life and Accidental Death and Dismemberment benefits are available to new employees and their families in amounts from \$10,000 to \$500,000. Up to \$100,000 is available to employees on a guaranteed issue basis, with no evidence of insurability required. Up to \$20,000 is

available for an employee's spouse on a guaranteed issue basis. Children amounts are also available. The employee pays full premiums via payroll deductions. More details can be provided by the HRM.

### **AFLAC**

Employees of RED-INC have the option to participate in the AFLAC supplemental benefit programs. Some of the programs offered include Accident plan, Cancer plan, Sickness plan, Hospital Confinement plan, and more. These programs can be paid via payroll deduction and may also include coverage for other family members.

### **EDUCATIONAL ASSISTANCE**

The basic objective of educational assistance is to encourage and assist RED-INC employees in increasing their knowledge, skills, and abilities to perform the duties of his/her current position or strengthen his/her potential contribution to the overall mission of the Company. RED-INC will reimburse the employee upon successful completion of the undergraduate or graduate level course. Tuition reimbursement is as follows: 100% for an A or B; 75% for a C; and 0% for a D, F, or withdrawal. RED-INC has established the following eligibility guidelines:

- The course is directly job-related.
- The institution must be accredited by an accrediting body of the Council on Higher Education Accreditation.
- An employee must be classified as a full-time employee.
- An employee who leaves the company prior to fulfilling the commitment agrees that the Company reserves the right to recoup tuition expense at a prorated amount and in accordance with federal and state wage and hour laws.

There are certain limitations on what qualifies for tuition assistance. The Company shall not cover cost incurred due to the following:

- Payment of examination fees: i.e., college level examination programs, college placements, comprehensives, etc.
- Purchase of textbooks, admission, graduation fees, parking fees, etc.
- Courses that are audited.
- Tuition costs after a course has begun.
- Training for the sole purpose of obtaining a degree. Although RED-INC encourages higher education of all employees, it is inappropriate to pay for a training course when the sole purpose of taking the course is to obtain a degree.
- Tuition for courses exempted by examination or qualification review.

Training must be approved prior to the beginning of each course. Employees must complete the Educational Plan Form and submit it to the Manager/Team Lead at least three weeks prior to the beginning of each course registration. The Manager/Team Lead will review and sign the form and forward to the Division Head and HRM for final approval. Upon successful completion of the course, the employee submits an Educational Assistance Request Form with a copy of his/her grade slip and receipt of payment of course to the HRM for reimbursement.

Employee reimbursements for qualified educational expenses for graduate or undergraduate level course in excess of the IRS limit are taxable to the employee and will be reported on IRS FORM W-2. The IRS regulations are subject to change.

The Company requires a one-year payback obligation from the date of satisfactorily completing the course. If the employee elects to leave or is terminated prior to completion of the one year, then the full amount of tuition paid to the employee for the course will be owed back to the Company in accordance with federal and state wage and hour laws.

**RELOCATION EXPENSE REIMBURSEMENT**

Based on pre-employment negotiations RED-INC may provide partial reimbursement of an employee’s moving expenses. Any reimbursement or payment toward such expense will be considered taxable income and will be included as such on the employees W-2. Acceptance of reimbursement expenses binds the employee to continue employment with RED-INC for a period of one year. If the employee resigns before the one-year anniversary, the employee agrees to reimburse RED-INC for the entire moving expense reimbursement received.

**WORKERS’ COMPENSATION**

If an employee is injured or becomes ill as a result of work, s/he may be eligible to receive insurance benefits as provided under the State Workers' Compensation Act. RED-INC pays all costs of providing this insurance protection. It is important that an employee immediately report any accident or injury that occurs on the job or may be job-related to the HRM.

**UNEMPLOYMENT COMPENSATION**

RED-INC contributes to insurance funds under the State Unemployment Compensation Act that may provide the employee with income in the event s/he becomes laid off or unemployed through no personal fault. RED-INC pays the entire cost for this protection.

**PAID-TIME-OFF**

*Full-time* employees who are regularly scheduled to work 40 hours a week are eligible for paid-time-off (PTO) benefits that accrue as follows unless otherwise stated in the offer letter.

Under three years .....96 hours per year, or 3.692 hours per pay period  
Over three years, but less than seven years .....128 hours per year, or 4.938 hours per pay period  
Over seven years but less than 15 years .....160 hours per year, or 6.16 hours per pay period  
Fifteen years or more .....200 hours per year, or 7.7 hours per pay period

*Part-Time* employees who are regularly scheduled to work a minimum number of hours during the week are eligible for reduced PTO benefits that accrue as follows unless otherwise stated in the offer letter:

36-39 hours/week

Under three years .....86.4 hours per year, or 3.323 hours per pay period  
Over three years, but less than seven years .....115.2 hours per year, or 4.431 hours per pay period  
Over seven years but less than 15 years .....144 hours per year, or 5.538 hours per pay period  
Fifteen years or more .....180 hours per year, or 6.923 hours per pay period

32-35 hours/week

Under three years .....76.8 per year, or 2.954 hours per pay period  
Over three years, but less than seven years .....102.4 per year, or 3.923 hours per pay period  
Over seven years but less than 15 years .....128 per year, or 4.938 hours per pay period  
Fifteen years or more .....160 per year, or 6.16 hours per pay period

PTO accrues from the start of employment and may be used as accrued. The maximum amount of PTO that an employee accrues is 200 hours per year. PTO will be accrued per pay period as long as the employee works a minimum of 40 hours in that pay period.

To schedule PTO, employees must complete a leave request through Deltek Costpoint Time & Expense (T&E) module and submit it to the Manager/Team Lead. The Manager/Team Lead approves/disapproves the scheduling of employee PTO. PTO and Holiday leave balances appear on the Leave section of your timesheet in the Time Collection software. Unused PTO continues to accumulate; however, an employee may carry over **no more than 120 hours** at the end of a calendar year. If RED-INC or the employee terminates employment after the Introductory Period, RED-INC reimburses the individual for unused PTO. If an individual has a negative PTO balance upon termination, that amount is deducted from the last paycheck in accordance with federal and state wage and hour laws. Reimbursements and deductions are made at the rate of pay in effect at the time of termination.

**MARYLAND EARNED SICK AND SAFE LEAVE**

The Maryland Healthy Working Families Act requires Employers with 15 or more employees to provide paid sick and safe leave for certain employees.

Earned sick and safe leave begins to accrue on February 11th, 2018, or on the date an employee begins employment with the employer, whichever is later. An employee accrues earned sick and safe leave at a rate of at least one hour for every 30 hours the employee works; however, an employee is not entitled to earn more than 40 hours of earned sick and safe leave in a year or accrue more than 64 hours of earned sick and safe leave at any time.

An employee is allowed to use earned sick and safe leave under the following conditions:

- To care for or treat the employee’s mental or physical illness, injury, or condition;
- To obtain preventative medical care for the employee or the employee’s family member;
- To care for a family member with a mental or physical illness, injury, or condition;
- For maternity or paternity leave; or
- The absence from work is necessary due to domestic violence, sexual assault, or stalking committed against the employee or the employee’s family member and the leave is being used (1) to obtain medical or mental health attention; (2) to obtain services from a victim services organization; (3) for legal services or proceedings; or (4) because the employee has temporarily relocated as a result of the domestic violence, sexual assault, or stalking.

A family member includes a spouse, child, parent, grandparent, grandchild, or sibling.

Employees are required to give notice of the need to use earned sick and safe leave when it is foreseeable. An employer may deny leave in certain circumstances.

An employer is prohibited under the law from taking adverse action against an employee who exercises a right under the Maryland Healthy Working Families Act and an employee is prohibited from making a complaint, bringing an action, or testifying in an action in bad faith.

Maryland required Employee Notice Posting is posted on site at RED-INC headquarters office.

RED-INC PTO policy detailed above provides Paid Time Off to full time employees which is equivalent or more generous than what is required by the Maryland Earned Sick and Safe Leave. Any Maryland employee not eligible for leave under RED-INC PTO policy will earn leave in accordance with this leave program.

***LEAVE WITHOUT PAY***

Leave Without Pay (LWOP) is a privilege that RED-INC may grant an employee for compelling personal reasons, such as an extended illness or childcare following the birth or adoption of the employee’s child if the employee has exhausted PTO. An employee must apprise their Manager/Team Lead of the situation and the expected time away from work. The Manager/Team Lead must approve the leave. The employee contacts the HRM to identify the effect on the employee's benefit plans. (Refer to the section on Family/Medical Leave for further information.) LWOP is used only after accrued PTO has been expended. Exempt employees may only take LWOP in full day increments.

An employee may not enter LWOP on his/her timesheet without approval of the Manager/Team Lead. The employee accrues no PTO while in a LWOP status.

***PAID HOLIDAYS***

RED-INC recognizes the following paid holidays:

- New Year's Day
- Martin Luther King Day
- President's Day
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Veterans' Day
- Thanksgiving Day
- Christmas Day

Over the course of the calendar year, full-time employees (regular and CWS) will receive 80 hours of paid holiday leave (10 holidays @ 8 hours each = 80 hours). However, the holiday hours may not be used until the holiday is officially recognized. For example, the Veterans' Day holiday may not be used in February since Veterans’ Day is not recognized until November 11. It is the employee’s responsibility to monitor holiday hour use throughout the year. Holiday leave balances appear on the Leave section of your timesheet in the Time Collection software.



Part-time employees are eligible to receive partial holiday hours. Calculations are based on the number of hours regularly scheduled to work per week. Holiday hours for a part-time employee are calculated as follows:

36-39 hours/week .....	70 per year, or 7.2 per holiday
32-35 hours/week .....	60 per year, or 6.4 per holiday
30-31 hours/week .....	40 per year, or 4 per holiday

Employees may select two holidays as floating holidays. These holidays may be taken on any day before the end of the calendar year provided that the employee works the designated holiday before attempting to float it. For example, an employee may choose to work his/her regularly scheduled hours on Columbus Day with intention to float that holiday to the day after Thanksgiving. An employee who chooses to float a holiday must submit a request to their Manager/Team Lead.

An employee may take time off to observe religious holidays. S/he must use a day of available PTO for this purpose; otherwise, the employee charges "LWOP." The employee must notify the Manager/Team Lead at least two (2) business days before a religious holiday and must receive approval for the PTO requested.

To be eligible for paid holidays, non-exempt employees must be in a regular pay status the day before and the day after the designated holiday and must not be on LWOP or disability. RED-INC schedules national holidays on the day designated by common business practice.

If a Government contract requires a different holiday schedule than shown above, RED-INC advises the employees working on the contract of revisions to the holiday schedule.

**FAMILY MEDICAL LEAVE ACT (FMLA)**

The Federal FMLA entitles eligible employees to take up to 12 work weeks of unpaid, job-protected leave in a rolling 12-month period for specified family and medical reasons, or for any "qualifying exigency" arising out of the fact that a covered military member is on active duty, or has been notified of an impending call or order to active duty, in support of a contingency operation. The FMLA also allows eligible employees to take up to 26 work weeks of job-protected leave in a "single 12-month period" to care for a covered service member with a serious injury or illness.

To be eligible for FMLA benefits, an employee must:

- work for a covered employer;
- have worked for the employer for a total of 12 months;
- have worked at least 1,250 hours over the previous 12 months; and
- work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.

An eligible employee can take off up to a total of 12 work weeks of unpaid leave during any 12-month period for one or more of the following reasons:

- for the birth and care of a newborn child of the employee;
- for placement with the employee of a son or daughter for adoption or foster care;

- to care for a spouse, son, daughter, or parent with a serious health condition;
- to take medical leave when the employee is unable to work because of a serious health condition; or
- for qualifying exigencies arising out of the fact that the employee's spouse, son, daughter, or parent is on active duty or call to active-duty status as a member of the National Guard or Reserves in support of a contingency operation.

Under some circumstances, employees may take FMLA leave intermittently – taking leave in separate blocks of time for a single qualifying reason – or on a reduced leave schedule – reducing the employee's usual weekly or daily work schedule. When leave is needed for planned medical treatment, the employee must make a reasonable effort to schedule treatment so as not to unduly disrupt employer operations. If FMLA leave is for birth and care, or placement for adoption or foster care, use of intermittent leave is subject to employer approval. A covered employer is required to maintain group health insurance coverage for an employee on FMLA leave whenever such insurance was provided before the leave was taken and on the same terms as if the employee had continued to work. If applicable, arrangements will need to be made for employees to pay their share of health insurance premiums while on leave.

Upon return from FMLA leave, an employee must be restored to his/her original job, or to an equivalent job with equivalent pay, benefits, and other terms and conditions of employment. Employee use of FMLA leave cannot result in loss of employment benefits that the employee earned or was entitled to before using FMLA leave, nor be counted against the employee under a "no fault" attendance policy. If a bonus or other payment, however, is based on the achievement of a specified goal such as hours worked, products sold, or perfect attendance, and the employee has not met the goal due to FMLA leave, payment may be denied unless it is paid to an employee on equivalent leave status for a reason that does not qualify as FMLA leave. If an employee fails to return to work at the end of the established leave period, the employee will be considered to have terminated his/her employment.

Employees seeking to use FMLA leave are required to provide 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. If leave is foreseeable less than 30 days in advance, the employee must provide notice as soon as practicable – generally, either the same or next business day. When the need for leave is not foreseeable, the employee must provide notice to the employer as soon as practicable under the facts and circumstances of the particular case. Absent unusual circumstances, employees must comply with the employer's usual and customary notice and procedural requirements for requesting leave.

Employers may require that an employee's request for leave due to a serious health condition affecting the employee or a covered family member be supported by a certification from a health care provider. An employer may require second or third medical opinions (at employer expense) and periodic recertification of a serious health condition.

***REASONABLE ACCOMMODATION FOR DISABILITIES DUE TO PREGNANCY***

If you incur a disability as a result of or contributed to by pregnancy you have the right to request a reasonable accommodation that may include:

- changing your job duties;

- changing your work hours;
- relocating your work area;
- providing mechanical or electrical aids;
- transferring you to a less strenuous or less hazardous position; or
- providing leave that does not impose an undue hardship upon the Company

You may be required to provide medical certification of the need for reasonable accommodation to the same extent a certification is required for other temporary disabilities. Such certification shall include:

- the date the reasonable accommodation became medically advisable;
- the probable duration of the reasonable accommodation; and
- an explanatory statement as to the medical advisability of the reasonable accommodation.

Company policies and practices regarding the availability of leave, the accrual of seniority and other benefits and privileges, reinstatement, and payment under any health or temporary disability insurance or sick leave plan, formal or informal, shall be applied to disability due to pregnancy or childbirth on the same terms and conditions as they are applied to other temporary disabilities.

### ***BEREAVEMENT***

RED-INC may grant bereavement leave to an employee for absences related to the death of an immediate family member provided the employee is in an active work status and is in a full-time or part-time employment classification (must be consistently scheduled to work at least 30 hrs/wk) at the time of the request.

In the event of the death of an employee's immediate family member, an employee will be granted up to three consecutive days off from his/her regularly scheduled duties for making funeral arrangements, settling family affairs, bereavement, and/or attending the funeral or memorial service.

Immediate family members include:

- spouse (or significant other/domestic partner)
- children (including biological, foster, adoptive, step)
- parents (including biological, foster, adoptive, step and in-laws)/siblings (including biological, foster, adoptive, step and in-laws)/grandparents (biological only)
- grandchildren (biological only)

One additional day of paid leave (for a total of four days paid leave) is allowed if travel more than 500 miles each way is involved.

An employee who wishes to request bereavement leave should notify their Manager/Team Lead as soon as practicable and submit an electronic PTO Request Form. Bereavement leave must be used within 30 days of the date of the family member's demise.

Bereavement pay is calculated based on the base pay rate at the time of absence and will be paid only for those days that fall on an employee's regularly scheduled workdays.

An employee may, with Manager/Team Lead approval, use available PTO for additional time off as necessary. In the absence of available PTO, the Manager/Team Lead may grant advanced PTO or, in extreme circumstances, grant leave without pay.

During this difficult and stressful time, RED-INC will generally not ask for documentation proving a family member is deceased. The Company has entrusted employees to use this policy appropriately.

***LEAVE OF ABSENCE***

RED-INC may grant an employee a Medical Leave of Absence for situations involving a medical disability, or Personal Leave of Absence for a personal situation requiring an extended period of time away from work. Such medical or personal leave may be granted when an employee is not covered by other RED-INC leave policies such as FMLA. A leave of absence is approved time off from work, with or without pay, for a minimum period of two weeks and up to a maximum of one year. Requests for a leave of absence must be made in writing and approved by the Manager/Team Lead. Reinstatement is not guaranteed and any employee who applies for unemployment insurance benefits while out on a leave of absence will be considered to have voluntarily quit his or her employment as of the date the claim was filed.

***INCLEMENT WEATHER AND "ACTS OF GOD"***

RED-INC does not provide paid leave due to inclement weather. Employees who are unable to reach work due to inclement weather must use available PTO or work at home with the approval of their Manager/Team Lead. In the absence of available PTO, the Manager/Team Lead may advance PTO or authorize LWOP. If an employee works at a Government facility, and the facility closes or delays opening due to inclement weather, the employee adheres to the reporting time (or closing) announced on local radio for the Government facility. If the Government facility closes, the employee may report for work to a RED-INC facility if one is open. When the nature of the work permits, the Manager/Team Lead may provide work assignments to the employee. Such work assignments may include work on other projects or extra hours during the workweek that help the employee avoid using PTO.

***JURY DUTY OR COURT SUMMONS TO APPEAR AS A WITNESS***

RED-INC grants full-time employees a leave of absence to serve on jury duty or to appear in court as a witness in response to a court summons. The employee provides a copy of the court summons showing the dates or period of time that s/he expects to appear in court. RED-INC pays the employee full pay during the period of leave. RED-INC grants up to 24 hours of jury duty per calendar year (unless otherwise required by law).

***MILITARY TRAINING LEAVE***

RED-INC allows full-time employees to serve two weeks of annual active military reserve training without reducing his/her accrued PTO. RED-INC does not interrupt the employee's normal pay while s/he is on military leave.

Employee benefits will continue in force without a break in coverage or service during a military leave of absence. For military leave in excess of two weeks, appropriate advance arrangements should be made by the employee to take additional PTO if the employee wishes or leave without pay.

In time of national crisis, RED-INC employees who, voluntarily or involuntarily, leave their jobs to fulfill active military obligations on a full-time basis will be granted a leave of absence without deduction from their accumulated PTO balances up to a maximum of five years. Paid military leave will be extended on a one-time only basis to a total of 20 working days per fiscal year paid for military leave. Compensation for this leave will be at the employee's normal rate of pay, less the amount received as military base pay.

Employees who voluntarily or involuntarily leave their jobs to fulfill active military obligations on a part-time basis will retain their current employment status with RED-INC without deduction from their accumulated PTO balances. Benefits will continue in accordance with company policy. Employees will receive compensation at their current hourly rate for only those hours worked. Veterans returning from these obligations who apply for reemployment timely are protected by the terms and conditions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).

In addition, any employee who has been employed by COMPANY for a total of 12 months and worked at least 1,250 hours in the preceding 12 months may take leave from work on the day that an immediate family member (spouse, (step)parent, (step)child or sibling) is leaving for, or returning from, active duty outside the US as a member of the armed forces of the US. Such an employee may but is not required to use any accrued, unused paid leave. COMPANY may require you to submit proof verifying that the leave is being taken for this qualifying reason.

## **TRAVEL**

RED-INC employees are responsible for using the least expensive transportation mode, parking facilities, public transportation, or rental vehicle, in requesting, booking, and submitting expense reimbursement. All business travel expenses must be ordinary, necessary, and reasonable.

## ***PRE-AUTHORIZATION AND PAYMENT***

An employee makes their own business travel arrangements prior to the trip. The employee submits a Travel Plan to the Wildewood office for record keeping purposes prior to the trip. All travel plans for direct travel must be accompanied by the appropriate government pre-approval at the time they are submitted to the F&A/Contracts team at Corporate Office. RED-INC provides no corporate credit cards; however, the Company reimburses each Travel Voucher by means of Electronic Fund Transfer (EFT). Vouchers submitted by COB on Wednesday of each week are processed for payment the following Tuesday. In the event a holiday falls on a Tuesday, vouchers will be reimbursed on the following Wednesday.

## ***MAXIMUM PER DIEM RATES***

RED-INC follows the maximum per diem rates in the Department of Defense (DoD) Civilian Personnel Joint Travel Regulation (JTR) in reimbursing subsistence expenses to the employee for sponsor, overhead, or corporate travel costs. These rates vary by location. Rates may be checked by using <https://www.gsa.gov/travel/plan-book/per-diem-rates>

## **ELEMENTS OF PER DIEM ALLOWANCE**

Maximum Lodging Expense Allowance - RED-INC reimburses employees for actual lodging costs (all receipts are required) up to applicable maximum amounts specified in the JTR. For any exception, employees must receive Government approval and/or supervisory approval.

Meals and Incidental Expenses (M&IE) Allowance - RED-INC reimburses employees for meals and incidental expenses at the maximum JTR fixed M&IE rate when applicable. Meal expense allowance includes tips associated with all meals consumed throughout the day. Incidental expense allowance includes tips paid to baggage handler/carriers or bellhops. Additional/separate reimbursement claims for these items should not be submitted. RED-INC pays the M&IE rate without receipts. The JTR authorizes paying a flat 75% of the rate on the day of departure and the day of return. One day/local travel less than 12 hours does not qualify for M&IE per diem.

The JTR reduces the per diem allotment if the employee uses Government quarters or receives meals provided at no cost from the Government or another entity.

Private Vehicle Cost Reimbursement – If driving has been deemed the most cost-effective method of travel, RED-INC reimburses the employee at the current JTR rate for approved costs the employee incurs using a private vehicle while conducting Company or task-related business travel (employee tracks mileage).

Additional Reimbursements - RED-INC reimburses the following travel expenses up to the limits set by the JTR:

- Travel on common carriers (normally at coach rate). Employee submits receipt with expense form. Exceptions require prior approval.
- Rental car expenses (normally a compact car). Employee submits receipt. Exceptions require prior approval. If traveling with a group only one rental car should be used for the group)
- Lodging. Employee submits receipt.
- Miscellaneous (e.g., tolls, parking, public transportation, tips associated with public transportation).  
Employee submits receipts. RED-INC requires all receipts.
- Advance payment for certain travel expenses (e.g., training registration expense, etc.).  
Employee needs Manager/Team Lead approval.

## **TRAVEL EXPENSE REIMBURSEMENTS**

The employee records reimbursable expenses on a RED-INC Travel Voucher. S/he submits the voucher with supporting receipts and documentation within 5 days of the travel. Falsification of expenses is fraud and subjects the employee to corrective action, up to and including termination. Vouchers must include supervisor approval signature.

Most Government contracts contain travel regulations that may differ from normal RED-INC policy. When this is the case, the contract requirements normally prevail. Check with Team Lead/Manager for confirmation of requirements if necessary.

### **MISCELLANEOUS EXPENSE REIMBURSEMENTS**

An employee may be required to purchase miscellaneous items in support of his/her tasking. Miscellaneous purchases must be authorized by the Manager/Team Lead in advance. Some contracts may require additional approval. Failure to receive approval may result in non-payment.

The employee records miscellaneous reimbursable expenses on a Miscellaneous Expense Voucher. S/he submits the report with supporting receipts and documentation in a timely fashion. Miscellaneous expense vouchers not submitted within 30 days may be deemed un-reimbursable.

### **COMPUTER SOFTWARE (UNAUTHORIZED COPYING)**

RED-INC prohibits illegal duplication of software. Title 17 of the U.S. Code states that "it is illegal to make or distribute copies of copyrighted material without authorization." The only exception is the user's right to make a backup copy for archival purposes.

RED-INC licenses the use of computer software from a variety of outside companies. RED-INC does not own this software or related documentation and, unless authorized by the software manufacturer, does not have the right to reproduce it. RED-INC employees may use the software only in accordance with the license agreement.

### **PROPERTY FURNISHED BY GOVERNMENT/SPONSOR**

RED-INC employees may use Government or sponsor-furnished space, facilities, telephone service, supplies, computers, reproduction, copier, and other equipment, and vehicles or services only as specifically authorized. RED-INC employees limit the use of this property to the performance of administrative and technical services required under the respective contracts.

RED-INC employees working in sponsor facilities observe the same rules and practices for using the facilities as sponsor employees in the facility.

### **PROBLEM SOLVING PROCEDURE**

RED-INC believes in an open communication policy. Employees who have complaints, grievances, or concerns about their job or treatment on the job may use the following procedure without fear of retaliation:

- Request a meeting with the Manager/Team Lead within a week of the occurrence of the problem. The Manager/Team Lead will document the issue and notify the HRM or contact the HRM directly.
- The Manager/Team Lead and/or HRM will work with the employee to resolve the issue.
- If the employee has concerns about the solution at this level, the employee contacts RED-INC's President who provides final resolution.

### **DEFENSE HOTLINE**

RED-INC employees are encouraged to contact the Manager/Team Lead with any work-related concerns.

As an affiliate of the military and other Defense Agencies, RED-INC employees have access to the Defense (DoD) Hotline. The purpose of the Defense Hotline is to combat fraud, waste, abuse, and

mismanagement in DoD programs and operations. Some examples of this abuse are: contract and procurement irregularities (cost/labor mischarging, bid rigging, etc.); bribery and acceptance of gratuities; travel fraud; abuse of authority; theft or abuse of Government property; and gross waste of funds.

RED-INC employees may contact the Defense Hotline by calling 1-800-424-9098 or by accessing hotline@dodig.mil. No retaliation will be taken against an employee who makes a report to the DoD Hotline in good faith. An employee may contact the RED-INC President, Secretary, Manager/Team Lead or the HRM at any time for assistance and advice.

**FACILITY SECURITY**

RED-INC and sponsor facilities contain valuable equipment, furnishings, proprietary information, and other property. Employees must pay close attention to the security of these facilities as well as other property of the Company. Anyone not employed by RED-INC is considered a visitor. Visitors to RED-INC must show a government-issued photo ID (Driver’s License, Passport, CAC, Military ID...) and sign in upon arrival. They are required to wear the RED-INC Visitor badge while in the building and must be escorted by the employee whom they are visiting. Attendees at meetings held in RED-INC conference rooms must abide by the same requirements but may visit the conference room, restrooms, and kitchen unescorted. Every employee is responsible for locking office file cabinets, desk drawers, office doors, etc., when they leave the facility. Employees must take extra care in the evening to assure that the facility is secure (by turning off unattended coffee pots, checking the main door lock, etc.). Employees must notify their management if they see suspicious or illegal activity, including the presence of strangers on the premises.

**SECURITY CLEARANCE**

A major portion of RED-INC work is under contract to the U.S. Government, therefore, it may be necessary for an employee to qualify for a DOD Security Clearance. The inability of an employee to qualify for a security clearance is sufficient grounds for termination of employment and can be an obstacle to advancement. REDINC’s FSO and Contracted Security Company processes requests for security clearances and will brief the employee on the responsibilities and duties that go along with holding a security clearance. Employees are responsible for maintaining their security clearances.

**MAINTAINING A SECURITY CLEARANCE**

Employees who hold a security clearance are expected to maintain the clearance in accordance with the government’s Continuous Evaluation Program (CEP). Once an employee has been granted access to classified information through the initial favorable eligibility determination, the employee falls under the CEP as long as access to classified information or material is contractually required. By definition, CEP involves the uninterrupted assessment of an individual in order to retain a security clearance. CEP includes reinvestigation at given intervals based on the level of access to classified information. The current reinvestigation requirements are as follows:

Clearance Level	Interval Requirements
Top Secret	5 years
Secret	10 years
Confidential	15 years



The FSO and the Contracted Security Company is responsible for initiating the background investigation at the appropriate interval and will communicate with the employee, providing guidance and direction to complete the process. Currently, investigations may be initiated 90 days prior to the closing date of the previous investigation in the investigation year. An investigation is considered to be “out of scope” (i.e., overdue) on the 91st day. If after 90 days the investigation has not been submitted to the Office of Personnel Management (OPM) for review / approval due to inattention on the part of the employee (as determined by the FSO) the employee will receive a written warning that failure to complete the process within 10 days will result in access to classified information being suspended until the application has been submitted to OPM. Noncompliance may result in termination at the discretion of the CEO.

Not being in compliance with requirements and allowing a background investigation to go out of scope puts an employee at risk of being issued a Loss of Jurisdiction which effectively ends the employee’s access to classified information. If tasking requires a clearance and the employee is issued a Loss of Jurisdiction due to noncompliance it will effectively end the employee’s work on the contract.

### ***SECURITY TRAINING***

As part of the RED-INC orientation process, all new hires must complete a formal security training course titled “Anti-Terrorism Level 1 Course” within three months of their official hire date regardless of whether or not a clearance will be required in support of tasking. The FSO and the Contracted Security Company will provide instructions on how to access and complete the training course. This training must be completed again upon renewal of security clearance.

The government requires employees with computer access onboard Naval Air Station Patuxent River to complete annual Information Assurance Awareness training. RED-INC is contractually bound to ensure employees are in compliance with this requirement.

RED-INC employees who possess a security clearance are required to receive one hour of security related training per quarter. Training may be via websites, video, publications, journals, or other appropriate sources. The FSO and the Contracted Security Company will provide security training material for employees on a regular basis.

### ***COMMON ACCESS CARD (CAC)***

Directive Type Memorandum (DTM) 08-003 states that local commands, installations and sponsors of contract support personnel and other eligible CAC holders shall establish procedures to ensure that the issuance and retrieval of Government Furnished Equipment (GFE) CACs are part of the normal personnel check in and check-out process. In accordance with this and other applicable Department of Defense instructions the following applies to employees requiring a CAC:

- Employees will be processed for a background investigation. Any employee whose investigation does not receive a favorable finding will not be authorized access to NAS Patuxent River and may not be in possession of a CAC.
- While onboard the station CACs are to be displayed front forward and above the waist.

- CACs are not to be photocopied except to facilitate DOD benefits and entitlements for which the card is used.
- CACs are GFE and are considered official identification. Unauthorized possession of an official Identification card can be criminally prosecuted under section 701, title 18 of the United States Code.
  - No employee may be in possession of more than one CAC in a single personnel category code. Categories include Federal Contractor, Federal Reservist, Retired Military, etc.
  - No employee may be in possession of a CAC belonging to someone else.
  - Upon out-processing, temporary employees and employees terminated from the company are required to relinquish the CAC for processing.

***CLASSIFIED MATERIAL ACCESS AND DISCUSSIONS***

RED-INC is not authorized to store classified material at any of its facilities. If an employee is working on a program where frequent use of classified material is required, the material may be stored at the government site or at another company authorized to store classified material. Classified material should be stored in the name of the government sponsor or another company representative supporting the same program. RED-INC employees may hold the combination to a government owned safe, in which case the employee is authorized to access the safe to obtain information for which there is a need to know.

Meetings that involve discussions of a classified nature or access to classified material must be conducted at a secure government facility or the secure facility of another contractor. Furthermore, meetings that involve a foreign national who is representing their country in an official capacity must be processed through proper government channels and must be conducted at a government facility.

***VISIT AUTHORIZATION REQUEST***

It may be necessary for RED-INC employees to visit other companies or government agencies where access to classified information is required. These visits require a Visit Authorization Letter (VAL) to be faxed or a Visit Authorization Request (VAR) to be completed in JPAS prior to the visit. Most visits are now processed in JPAS. Any employee needing a visit authorization should provide the necessary information identified on the Visit Request Form (found in the security section of the employee portal on the company website) to the FSO and the Contracted Security Company at least one week prior to the scheduled visit.

***INTERNATIONAL TRAVEL***

RED-INC employees may be required to visit other companies or government agencies located in a foreign country. Employees may also travel to a foreign country for personal reasons. Both situations require the International Travel Forms to be completed both prior to and following the visit. An employee, regardless of the nature of the foreign visit, should submit a completed Pre-International Travel Form to the FSO and the Contracted Security Company at least one week prior to the scheduled visit. Immediately upon return from foreign travel, employees are required to submit a completed Post-International Travel Follow-up to the FSO and Contracted Security Company. Both forms can be found in the security section of the employee portal on the company website.

## **SOCIAL MEDIA POLICY**

At RED-INC, we understand that social media can be a fun and rewarding way to share your life and opinions with family, friends, and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media. This policy applies to all associates who work for RED-INC.

### ***GUIDELINES***

In the rapidly expanding world of electronic communication, social media can mean many things. Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with RED-INC, as well as any other form of electronic communication.

The same principles and guidelines found in RED-INC policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow associates or otherwise adversely affects members, customers, suppliers, people who work on behalf of RED-INC or REDINC's legitimate business interests may result in disciplinary action up to and including termination.

### ***Know and follow the rules***

Carefully read these guidelines, the RED-INC Code of Business Ethics Policy, the RED-INC Standard of Conduct Policy, and the RED-INC Anti-harassment Policy to ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

### ***Be respectful***

Always be fair and courteous to fellow associates, customers, members, suppliers, or people who work on behalf of RED-INC. Also, keep in mind that you are more likely to resolve work related complaints by speaking directly with your co-workers or by utilizing our Open-Door Policy than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, members, associates, or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion, or any other status protected by law or company policy.

### ***Be honest and accurate***

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about RED-INC, fellow associates, members, customers, suppliers, people working on behalf of RED-INC or competitors.

### ***Post only appropriate and respectful content***

- Maintain the confidentiality of RED-INC trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures, or other internal business-related confidential communications.
- Respect financial disclosure laws. It is illegal to communicate or give a “tip” on inside information to others so that they may buy or sell stocks or securities. Such online conduct may also violate the Insider Trading Policy.
- Do not create a link from your blog, website, or other social networking site to a RED-INC website without identifying yourself as a RED-INC associate.
- Express only your personal opinions. Never represent yourself as a spokesperson for RED-INC. If RED-INC is a subject of the content you are creating, be clear and open about the fact that you are an associate and make it clear that your views do not represent those of RED-INC, fellow associates, members, customers, suppliers, or people working on behalf of RED-INC. If you do publish a blog or post online related to the work you do or subjects associated with RED-INC, make it clear that you are not speaking on behalf of RED-INC. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of REDINC.”

### ***Using social media at work***

Refrain from using social media while on work time or on equipment we provide, unless it is work related as authorized by your manager or consistent with the Use of RED-INC Resources Policy. Do not use RED-INC email addresses to register on social networks, blogs or other online tools utilized for personal use.

### ***Retaliation is prohibited***

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

### ***Media contacts***

Associates should not speak to the media on RED-INC’s behalf without contacting the Corporate Management. All media inquiries should be directed to them.

If you have questions or need further guidance, please contact your HRM.

### **USE OF RED-INC RESOURCES**

RED-INC network resources include, but may not be limited to, company computers, terminals, servers, printers, plotters, modems, disks, compact disk-read only memory (CD-ROM) devices, communications interfaces including telephone lines and network, or RED-INC provided software. RED-INC network resources may be used only for RED-INC business or approved activities. RED-INC reserves the right to monitor Company telephone, internet, and email networks at any time. Foul, offensive, defamatory, pornographic, or other inappropriate communication is prohibited. Employee use of Company network resources is considered consent to the policy and to management's right to review e-mail or monitor internet activity.

Internet "blogging" and chat room interaction is prohibited during an employee's working time while using RED-INC property. Employees should have no expectation of privacy in the use of any of RED-INC's electronic systems and recognize that any information created, sent, stored, accessed, or received belongs to the company, regardless of nature, and that the use of RED-INC resources in such manner that violates this policy may result in corrective action up to and including termination.

If an employee accidentally enters an inappropriate website or views inappropriate material while using a RED-INC or a government furnished computer, the employee must notify the HRM immediately. Proper documentation is essential if the employee is to avoid problems that could arise from viewing improper websites or electronic material.

RED-INC employees must use software according to the applicable license agreement. Title 17 of the United States Code states that "it is illegal to make or distribute copies of copy-righted material without authorization." Employees must not duplicate copyrighted software and must contact the RED-INC Manager/Team Lead if software needs to be installed or reinstalled on their computer system.

### **USE OF GOVERNMENT RESOURCES**

Many RED-INC employees work at government sites. These employees must follow the local government Information Systems Security (InfoSec) regulations when they process government sponsor information or access government information systems. If an employee is unsure of which policy applies in any situation, they should contact their Manager/Team Lead; however, a good rule of thumb is to follow the more restrictive policy. Government-furnished equipment (GFE) should never be connected to the RED-INC network or vice versa without prior authorization from the RED-INC Manager/Team Lead.

Employees are subject to monitoring any time they are connected to a government network or information server, or any computer (government or RED-INC owned) that is connected directly to a network.

The government Information Systems Security Manager (ISSM) administers and monitors computer security for government computer systems and contractor systems processing government data. Employees should address questions and concerns related to processing government information to

the local government Information Systems Security Officer (ISSO) through the RED-INC Manager/Team Lead and the specific government sponsor.

Federal law prohibits individuals from accessing, attempting to access, using, or altering DOD resources without express, prior authorization. RED-INC employees must not alter the configuration of a government network system, components, or software without the documented consent of the government sponsor. RED-INC employees may not use government resources for unauthorized purposes, including personal use.

RED-INC understands that some employees use freeware and shareware in both personal and professional endeavors. RED-INC expects employees to exercise responsibility and accountability when using these tools. RED-INC employees must adhere to the freeware and shareware policies of the entity owning the computer system. For example, a RED-INC employee who wishes to use freeware and shareware on a government system must receive approval from the government sponsor and the government ISSM must virus check the software.

Employees must notify the Manager/Team Lead when they no longer need a particular information technology resource. Employees are responsible for any personal resources. RED-INC is not liable for the recovery or replacement of lost or stolen personally owned or unauthorized resources.

#### **PROTECTION OF CLASSIFIED INFORMATION**

Classified information is handled in accordance with the requirements of DOD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM). Every RED-INC employee provided access to classified material is responsible for observing the letter and spirit of the NISPOM. Classified information may only be electronically transmitted using National Security Agency-approved cryptographic devices. Employees may only process unclassified data at any of the RED-INC offices. RED-INC is not authorized to store classified material and does not maintain classified systems at our facilities. Employees should direct questions or provide information about potential or actual security compromises to the FSO and the Contracted Security Company.

#### **PROTECTION OF GOVERNMENT SENSITIVE/UNCLASSIFIED INFORMATION**

RED-INC protects the disclosure of government Controlled Unclassified Information (CUI) (formerly For Official Use Only or FOUO and Sensitive but Unclassified or SBU) and other sponsor data. Government regulations require that CUI have government-approved encryption before transmission over unprotected wide area networks (i.e., the Internet).

Employees working aboard NAS PAX, or any NAVAIR sites, will comply with the provisions of OPNAVINST 3432.1A, Operations Security, the local command/facility 3432 instruction series as well as any procedures identified in program-specific OPSEC security plans and program protection plans as applicable.

#### **Graduated Scale of Disciplinary Action**

The National Industrial Security Program Operating Manual (NISPOM) 1-304 requires contractors to establish and enforce policies that provide for appropriate administrative actions to be taken against employees who violate the requirements of this manual.

RED-INC has developed a graduated scale of disciplinary actions that will be used as a guide in determining appropriate administrative actions to assign to security violations when individual responsibility for a security violation can be determined and one or more of the following factors are evident:

- The violation involved a deliberate disregard of security requirements
- The violation involved gross negligence in the handling of classified information
- The violation involved was not deliberate in nature but involves a pattern of negligence or carelessness

Level of Violation	Examples (not all inclusive)	Minimum Disciplinary/Corrective Action
Level 1 – Verbal Warning	<ul style="list-style-type: none"> <li>• Password sharing or allowing access using your password</li> <li>• First offense of unintentional infraction</li> </ul>	Verbal warning or discussion from Chief Executive Officer (CEO). A memo will be placed in the employee security file documenting that a verbal warning was issued.
Level 2 – Written Warning	<ul style="list-style-type: none"> <li>• Unauthorized use of company or government IT systems</li> <li>• Failure to timely comply with company security procedures or initiatives</li> <li>• Repeated behavior following a verbal warning</li> </ul>	Written warning coordinated with CEO. May include attendance at required training or security refresher. A copy of the warning letter will be kept in the employee HR and security folders.
Level 3 – Suspension Without Pay	<ul style="list-style-type: none"> <li>• Violation or infraction for personal gain</li> <li>• Unintentional violation related to safeguarding of sensitive or classified information</li> </ul>	Written notification of suspension coordinated with HR and CEO. Meeting with employee to include CEO. May result in termination of computer access or restricted area access. May include attendance at required training or security refresher. Suspensions may vary in length, according to the severity of the offense or deficiency. A copy of the suspension letter will be filed in the employee folder.

Level 4 - Termination	<ul style="list-style-type: none"> <li>• Repeated violations of Levels 1-3 or where evidence clearly establishes malicious intent</li> <li>• Violation or infraction with the intent to harm an individual, the company, or the nation</li> <li>• No evidence of substantial improvement in conduct on the part of the employee following suspension</li> <li>• First time incident extremely serious in nature</li> </ul>	Written notification of termination to be signed by cognizant managing official. The employee will be escorted from the property.
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**PROTECTION OF OTHER SENSITIVE INFORMATION**

RED-INC expects employees to protect sponsor information, personal information, and proprietary corporate information from unauthorized disclosure. RED-INC employees must not divulge proprietary corporate information within or outside of RED-INC to personnel who are not a Manager/Team Lead with a valid need to know. Proprietary corporate information includes, but is not limited to, the following:

- Overhead rates
- Contract bidding intentions and information
- Proposals
- Trade secrets
- Information giving a competitive advantage to another organization

RED-INC employees must use caution when discussing the corporate network infrastructure with competitors and potential vendors. Employees should direct requests for information (RFI) regarding RED- INC computing and network access to the RED-INC Manager/Team Lead.

RED-INC does not disclose personal information about current, former, and prospective staff members to anyone inside or outside RED-INC without the consent of the individual. Personal information includes, but is not limited to, salary, telephone number, address, vacation or travel dates, and information about an individual and family members not available to the general public. Employment verifications for lending institutions are referred to the HRM.

RED-INC employees must not disclose sponsor information/documentation outside the immediate staff members working on the project. Sponsor information is never disclosed to any party or organization outside RED-INC or the sponsor's immediate staff without the specific permission and knowledge of the sponsor.

Any employee who does not protect classified information, government CUI, or RED-INC proprietary information may be subject to corrective action up to and including termination.



## **PRIVACY ACT DATA**

RED-INC protects the disclosure of personal information about employees such as social security number, salary, date of birth, home address and telephone number, vacation and travel itineraries, and other information about them and family members available to the general public. Except as permitted by law, RED-INC does not disclose Privacy Act data or other personal information about current, former, or prospective employees to anyone, within or outside of RED-INC, in any fashion, including electronically, without the consent of the individual.

## **NETWORK SECURITY**

Any information that RED-INC employees produce on RED-INC or government resources is the property of RED-INC or the government respectively, regardless of the data or activity. Employees must carefully consider the nature, content, and tone of all materials produced on networks. Authorized personnel may access, audit, and review this information. Users must understand that RED-INC and government mail files, account activity, and auditing records may be subpoenaed in a court of law as evidence of suspected criminal or illegal civil activity.

Use of RED-INC or government information technology resources implies consent to monitoring. RED- INC employees consent to monitoring of use of information technology resources, including incidental and personal use, whether authorized or unauthorized.

The government information technology staff monitors system and file activity as part of system management, researching potential system abuses and verifying requests for additional software, hardware, disk space, etc. RED-INC employees may not install any network monitoring device or software, such as sniffer programs, on a RED-INC or government information technology resource without the prior consent of the RED-INC Manager/Team Lead or the government ISSO.

The following guidelines apply to the use of RED-INC and government networks and resources:

- Employees may not use the network for personal use during business hours or in the presence of a sponsor. Employees must not initiate large downloads of information (i.e., for an extensive personal research project or for playing interactive games).
- Employees may not use the network for personal financial gain, whether with the government, a RED-INC competitor, another company, or a company owned in whole or in part by the employee. Employees may not use the government network for unauthorized or unofficial advertising or solicitation.
- Employees may not use the network to access servers, services, external databases, bulletin boards, World Wide Web pages, or other electronic media that allude to impropriety, illegality, immorality or bias. Such electronic data include vulgarity, pornography, chain letters, and racially or ethnically slanted materials. Such access may constitute criminal activity and result in prosecution.
- Internet file sharing sites should never be accessed from any computer or while connected to the network or information technology resource.
- RED-INC business should not be conducted on unsecured sites in the public domain. Instant messenger software should never be installed or used on government information technology resources or computers.

- RED-INC employees may use the RED-INC network for personal use as long as the activities do not interfere with their professional tasks and occur outside of business hours. Employees may use the network for activities such as sending RED-INC e-mails while on travel, providing directions to visiting relatives, writing letters, preparing schoolwork, conducting research, comparing vacation packages, and performing volunteer services for non-profit organizations.
- RED-INC employees must log out of the government or RED-INC network when their office is empty or when they are out of the office for an extended period of time (e.g., meetings, lunch, etc.).
- An employee does not need to log out of the network during a brief absence, however a password protected screen saver should be used during these absences.
- RED-INC prohibits the abuse and misuse of the RED-INC network. Abuse and misuse of resources include executing harmful functions, introducing malicious software into systems or networks, monopolizing system resources, transmitting information without the proper permissions, observing keystrokes or screens of the government information technology support staff in order to obtain system information in an unauthorized manner, etc.
- RED-INC reserves the right to read, listen to, save, destroy, or transmit communication that is created by an employee using a RED-INC information technology resource.
- RED-INC employees must not use the RED-INC network for unauthorized browsing. Unauthorized browsing is an attempt to access information for which an individual does not have "READ" access. Unauthorized browsing includes reading another user's information on a computer screen, accessing another user's RED-INC email account, reading a user's printed copy, reading a user's files, or accessing information written into or read from system memory or files.
- RED-INC employees must not exploit system vulnerabilities.

### **ELECTRONIC MAIL ACCOUNTS**

Electronic mail (e-mail) accounts are provided for RED-INC employees if needed. The RED-INC Accounts Manager initiates an e-mail account request for new employees and provides them with an initial password.

There is only one individual designated per user account. User accounts should not be shared with anyone. RED-INC provided e-mail accounts should be used for conducting RED-INC business. Public domain accounts or internet service provider (ISP) accounts should not be used unless required by extenuating circumstances and authorized by the RED-INC Manager/Team Lead. The following guidelines apply to RED-INC employees using RED-INC and/or government e-mail accounts:

- Punctuation and capitalization set the tone of e-mail.
- Users must review messages before sending them to minimize misunderstanding on the part of the recipient.
- It is critical that employees use discretion in the tone and content of messages when sending electronic correspondence.
- Employees are responsible for periodically removing old messages stored on the server.

## **SECURITY INCIDENT REPORTING**

RED-INC employees who suspect or witness the compromise of user accounts, exposure of classified, sensitive unclassified, Privacy Act, or company proprietary data; or any other apparent computer security violation, misuse, abuse, or questionable data exposure or activity must immediately contact the RED- INC FSO to complete a Preliminary Security Violation/Compromise Report.

## **RESTRICT CONFLICTING OUTSIDE ACTIVITIES**

RED-INC protects the best interest of the Company and employees; therefore, the Company cannot permit employees to pursue activities that may conflict with the general welfare of RED-INC, have the appearance of impropriety, or may damage the reputation of the Company. Such activities include employment with or receiving compensation from a competitor; use of the Company's time, facilities, or equipment to engage in another business or occupation; or an outside activity that results in the employee losing time from work, being distracted from work, etc. Employees must consult the Manager/Team Lead before engaging in an activity that might be covered by this policy.

## **PERSONAL PHONE CALLS AND MAIL**

RED-INC recognizes that employees must sometimes place or receive personal calls on Company or sponsor telephones. Employees must use restraint and discretion in using the telephone for private use. Frequent use of Company/Government telephones for personal business may result in corrective action. RED-INC employees must charge personal long-distance calls to a personal telephone credit card or their home phone number.

RED-INC employees must not use the Company address as a personal mailing address or for personal UPS delivery or Federal Express delivery.

## **EMPLOYEE SAFETY**

### **EMPLOYEE RESPONSIBILITIES**

RED-INC employees are responsible for creating and maintaining a healthy and safe workplace. Specific employee responsibilities include the following:

- Working around aircraft can be dangerous. Always check in with the Project Liaison Officer or Maintenance Control. Do not flip switches – call for a qualified aircraft technician / mechanic. On ejection seat aircraft, get a formal seat checkout from the appropriate Aircraft Maintenance Engineer shop. Make sure the seat has all safety locks in place. Do not approach an aircraft on jacks or that is cordoned off. Follow the direction and instruction of the government sponsor or the Manager/Team Lead.
- Perform jobs in a safe manner. Safety-related concerns or questions should be discussed with the government sponsor or the Manager/Team Lead immediately.
- Report hazardous conditions to the government sponsor or the Manager/Team Lead.
- Participate in required safety training sessions.
- Read posted safety posters and warnings. Listen to instructions carefully.
- Follow appropriate procedures and hazard-control methods.
- Wear and use appropriate protective equipment.
- Never undertake a potentially hazardous operation without consulting the government sponsor or Manager/Team Lead.

- Report ANY occupational injury or illness to the government sponsor and the Manager/Team Lead immediately. Under no circumstances, except emergency trips to the hospital, should an employee leave a work site without reporting an injury.

## **SAFE WORK PRACTICES**

### **SAFETY RULES FOR EMPLOYEES**

Safety is everybody's business. Safety demands primary importance in every aspect of planning and performing RED-INC activities. Employees must report injuries to the Manager/Team Lead immediately, as well as anything that needs repair or is a safety hazard.

RED-INC takes safety seriously. The company may take corrective action when an employee fails to follow safety rules. The following published safety rules (as well as numerous unpublished common-sense rules) apply to RED-INC employees:

- Practice good housekeeping in the work area at all times.
- Wear suitable clothing and footwear. Use personal protective equipment (PPE) (i.e., cranials, ear protection, eye protection, steel-toed boots) when required (e.g., when working in/on aircraft).
- Do not wear shorts or loose, bulky clothing when operating equipment. Hair and work clothing must not present a safety hazard.
- Do not engage in horseplay and scuffling.
- Do not work if you are so impaired by medication, fatigue, or illness as to risk injury.
- Alcohol is not permitted on company or sponsor premises.
- Notify the government sponsor, the Manager/Team Lead or HRM if you are using a prescription drug that could impair your ability to perform the essential functions of your job such as impairing motor skills or judgment.
- Do not handle or tamper with electrical equipment, machinery, or air or water lines unless specific instructions have been received, or it is part of the specified duties.
- Report all injuries to the Manager/Team Lead immediately.
- Plan the movement of heavy materials. Use the large muscles of the legs instead of the smaller muscles of the back when lifting heavy objects.
- Observe fire prevention regulations at the work site.
- Be sure all equipment guards and safety devices are properly installed and operational before operating equipment.
- Do not remove lockout tags or locks without authorization.
- Perform safety inspections of vehicles prior to operation. Report defects immediately.
- Obey traffic regulations and posted speed limits.
- Report unsafe conditions or practices to the government sponsor and the Manager/Team Lead.

### **WORK SITE ENVIRONMENT**

Work sites must be clean and orderly. Work surfaces must not become covered by stacks of books, papers, etc., so as to pose a danger of falling and causing property damage or personal injury. Spills must be cleaned up immediately. Avoid wet floor areas; obey posted janitorial service signs. Fire extinguishers must remain accessible at all times. Emergency exit routes must be kept clear, well

lighted, and unlocked during work hours. File cabinet drawers should be opened one at a time and closed when work is finished. Take periodic breaks from lengthy, repetitive motion tasks.

At the RED-INC office, report any facility related problems to the Office Manager (OM) immediately.

### **HANGARS, LABORATORIES, WALKWAYS, ETC.**

Obey regulations of government work areas. Where no posted cautions are present, apply common sense and the utmost prudence. Use a separate aisle for walking (if possible) in passageways used by forklifts, trucks, or other machinery. Exercise extreme caution when walking in an aisle used by large vehicles. Be aware of aircraft and tow vehicles around and inside hangars. Pay attention to requirements for cranials, steel-toed boots, ear protection, and eye protection; comply with requirements. Be mindful that in some instances, baggy clothing, jewelry, or long hair can create a safety hazard. Further, small personal objects (e.g., money, pens, photo ID, jewelry, paperclips, candy) should be removed and/or properly secured before entry into hangars, flight-lines, or aircraft as they could pose potential foreign object debris/damage (FOD) hazards to the aircraft. Report FOD to the proper personnel immediately.

### **SAFETY AUDITS AND INVESTIGATIONS**

#### **SAFETY AUDITS**

RED-INC reviews accident and Workers' Compensation reports to avoid similar problems in the future. Employees may be asked to participate in a safety audit to review an accident.

#### **SAFETY INSPECTIONS**

Workplace safety depends on workplace observation. Employees should inspect their work areas each day and inform their sponsor at the government site and their Manager/Team Lead of potentially dangerous situations. In addition, formal workplace safety inspections in RED-INC owned/leased buildings will occur monthly, as conditions change, or as new processes or procedures are implemented. RED-INC off-site spaces will be inspected according to host requirements.

#### **ACCIDENT REPORTS**

Employees must immediately report any illness or injury that occurs during the workday to the Manager/Team Lead. The employee or Manager/Team Lead notifies the HRM so that necessary reports may be prepared. If the employee's condition requires him/her to leave work, a written statement from a physician is required. This statement may be subject to verification by a Company-appointed physician.

Employees are responsible for immediately reporting conditions they believe unhealthy or unsafe to the Manager/Team Lead.

#### **ACCIDENT REPORTING**

The following information is required for an accident report. The Manager/Team Lead will interview eyewitnesses and others who can provide relevant information. The Accident Report Form will include the following:

- Date, time, and location of the accident.
- Names of employees involved or witnesses.
- Description of the accident and how it occurred.
- Description of any injuries.

The Manager/Team Lead will evaluate the information and provide suggestions for avoiding similar accidents in the future.

## **RECORDS**

The HRM maintains copies of accident reports. A written report will be maintained on each accident, injury, or on-the-job illness that requires medical treatment. The HRM tracks injuries or illnesses in accordance with Occupational Safety and Health Administration (OSHA) requirements. A summary of reported injuries or illnesses will be available from the HRM no later than February 1 of each year covering the previous calendar year.

## **EMPLOYEE RESPONSIBILITIES**

Employees must immediately report fires to the Fire Department (dial 911) and potential fire hazards to the government sponsor or the Safety Officer. Employees must conduct their operations in such a way as to minimize the possibility of fire.

Employees not involved in an emergency must stay away from the scene and follow instructions given by the Emergency Response Team. Employees must respond to mechanical or verbal evacuation alarms and immediately leave the area by the nearest exit. Employees must not reenter an evacuated area until they are notified that it is safe to return. Employees (other than Emergency Response Team members) involved in an emergency greater than a minor incident are expected to act as follows:

- If there is threat of further injury or exposure to hazardous material, employees will remove injured persons, if possible, and leave the immediate vicinity. If there is no threat of further injury or exposure, a First Aid Responder will treat seriously injured personnel.
- Employees may assist with first aid or attempt to control the incident if they have been trained in first aid or the emergency response necessary to control the incident.

## **TOOLS**

Tools must be used in a safe and proper manner, minimizing employee injury and risk. A damaged or malfunctioning tool must be turned in for service and replaced by a tool in good condition. Employees must use the correct tool for the work to be performed. They must request guidance from their sponsor or the Manager/Team Lead before using an unfamiliar tool. Portable power tools can inflict bodily harm if used improperly or poorly maintained. Use caution when using power tools.

## **MACHINE SAFETY**

Safety precautions are necessary for the safe operation of machinery. Before operating a machine, employees must be qualified in the operation of that machine, all required guards must be in place, and proper clothing and protective devices must be worn.

## **GOVERNMENT SAFETY POINTS OF CONTACT**

There are over 30 Safety Officers at Patuxent River. These are divided into two (2) categories: Aviation Safety Officers (ASOs) and Occupational Safety and Health (OSH) Officers. There is an ASO at every hangar, so if there are any questions or doubts – “it’s better to be safe than sorry!” For Building 2187, the Safety Officer (OSH) is Tony Norris at 301-757-3356.

## **STANDARDS OF CONDUCT**

RED-INC believes that its employees have the common sense to guide them on proper behavior in the workplace; nevertheless, this Handbook provides a list - that is not all-inclusive - of a few specific activities that may result in immediate corrective action without prior counseling.

RED-INC corrective action may include coaching, probation, suspension (with or without pay), or termination. Corrective action may vary according to the gravity of the offense; the circumstances in which it occurs; or the employee's duties, seniority, and overall work record. RED-INC has no obligation to use one or more of these forms of corrective action before discharging an employee. Regardless of the action taken, this policy in no way alters, amends, or modifies the at-will nature of your employment with RED-INC. You retain the right at all times to terminate the employment relationship at any time, for any reason with or without notice and RED-INC reserves the same right.

Certain major offenses that may result in immediate corrective action include, but are not limited to, the following:

- Failure or refusal to carry out instructions.
- Unsatisfactory work performance.
- Failure to fulfill responsibilities of the job to an extent that might or does cause injury to a person or damage or loss of a product, machinery, equipment, facilities, or other property of the Company.
- Violation of a safety, fire prevention, health, or security rule, policy, or practice.
- A false, fraudulent, misleading, or harmful statement, action, or omission involving another employee, a sponsor, the Company, or relations with the Company, or any action disloyal to RED-INC.
- A false, fraudulent, misleading, or harmful statement, action, or omission on an employment application or relating to any other information that the Company requests, whether oral or written; refusal or failure to provide such information in a timely manner.
- Unauthorized use, removal, theft or damage to Company property, an employee, an independent contractor, or sponsor.
- Threatened or actual physical violence.
- The use of profane or abusive language.
- Carrying a weapon while on Company business, job site, premises, or property without authorization from the Company.
- Violation of the provisions of RED-INC’s Drug and Alcohol Policy.
- Organized gambling, disorderly, or immoral conduct while on Company premises, job site, or business.
- Accepting or engaging in outside employment with a competitor of RED-INC or conducting or attempting to conduct outside business while on Company premises or business.
- Garnishments beyond the type and number protected by law.

- Chronic, habitual, or excessive lateness or absenteeism (RED-INC Absenteeism Policy).
- Sexual harassment of another employee, including unwelcome advances or verbal or physical conduct.
- Harassment of another individual on the basis of race, color, religion, creed, age, sex, national origin, military or marital status, disability, or other classification that the law protects.
- Unauthorized access to, or use of, another employee's network and/or email account.
- Violation of copyright laws, including illegal duplication of RED-INC licensed software.
- Unauthorized use of RED-INC or sponsor computing assets, including accessing non-work-related sites for personal gain.

### **CODE OF BUSINESS ETHICS**

It is RED-INC's policy to maintain the highest ethical standards and comply with applicable laws, rules, and regulations. RED-INC believes that adherence to this policy will ensure our continued success as well as earn and maintain the confidence of our customers and the community. To ensure that the Company operates pursuant to this policy, RED-INC has established this Code of Business Ethics. The following general rules apply to the implementation of this Code. See the RED-INC Code of Business Ethics Policy.

- Employees must comply with this Code of Business Ethics. Any owner, director, or employee violating this Code is subject to corrective action, which may include demotion or termination.
- Employees have a duty to report suspected violations of the Code or other potentially unethical behavior by anyone, including owners, directors, employees, agents, customers, subcontractors, suppliers, and prime contractors, to the Corporate Compliance Officer.
- Employees in management positions are personally accountable for their own conduct and the conduct of those reporting to them. Each management employee is expected to inform those reporting to them about this Code of Business Ethics and take necessary steps to ensure compliance with this Code.
- No employee has the authority to direct, participate in, approve, or tolerate any violation of this Code by anyone.
- Any employee who has questions about the application of this Code should consult with the designated Corporate Compliance Officer.

### **RED-INC DRUG AND ALCOHOL ABUSE POLICY**

RED-INC insists on a drug- and alcohol-free workplace to ensure a safe and healthy work environment for employees. RED-INC's Drug and Alcohol Abuse Policy ensures the continued good reputation of the Company and cooperation with customers in their efforts to contribute to safe and efficient operations.

Definitions:

- "Substance abuse" means the use, misuse, or illegal use of dangerous substances.
- "Dangerous substances" means illegal drugs, controlled substances other than as prescribed, look-alike or designer drugs; alcoholic beverages; drug paraphernalia; unauthorized prescription drugs; and any other perception altering substance.



- “Company premises” includes all Company property, facilities, buildings, automobiles, trucks, and other vehicles, whether owned, leased, or used. This also includes all other work locations and transit to and from those locations while on the course and scope of Company business.
- “Test” is a screening to determine drug or alcohol use.

### **DRUG AND ALCOHOL POLICY**

RED-INC prohibits the manufacture, distribution, dispensation, possession, or use of dangerous substances on Company premises. Employees must not be under the influence of dangerous substances, including alcohol. If an employee violates this policy, s/he may be subject to corrective action in accordance with the RED-INC Corrective Action Policy.

RED-INC’s C E O must approve the presence of alcohol on Company premises for planned social events (such as a Holiday Open House).

RED-INC may make an employment offer contingent upon the applicant testing negative for current illegal use of drugs or presence of dangerous substances. In addition, the Company may require employees to submit to testing for dangerous substances as a condition of continued employment. RED- INC may immediately terminate an employee who refuses to sign a consent form for testing for dangerous substances, or who refuses to participate in a test for dangerous substances.

Employees must participate in testing in the following situations:

- RED-INC determines that there is reasonable suspicion to believe that an employee's behavior relates to the use of dangerous substances, substance abuse or alcohol.
- An employee is involved in a work-related accident that requires medical treatment or causes substantial property damage.
- An employee is selected for drug testing (which may be on a random basis).
- The test is part of a physical examination, which RED-INC determines is job-related and consistent with business necessity.
- RED-INC determines testing relates to safety or health risks, sensitive security duties, or any other job-related necessity.
- RED-INC directs testing following discovery of dangerous substances or any other relevant evidence.

RED-INC may issue corrective action to or terminates an employee who receives a confirmed positive test (i.e., the presence of dangerous substances in the employee's system). RED-INC may require an employee to undergo either diagnosis or treatment for dangerous substance abuse. RED-INC may terminate an employee who refuses to participate in diagnosis or to comply with a treatment program.

An employee may use prescription drugs a physician specifically prescribes for him/her. An employee may use over-the-counter medication when s/he uses it for its intended purpose. Prescription drugs and over-the-counter medication must remain in original containers and must not cause side effects that pose a direct threat to the safety of the employee or others.

A RED-INC employee must report promptly to the Manager/Team Lead or HRM when using prescribed or over-the-counter medication that may impair his/her ability to safely perform the essential functions of the job such as impairing judgment, performance, or safety on the job. The Company makes reasonable accommodations to the known disabilities of an employee where such accommodations do not create undue hardship. RED-INC reserves the right to require medical documentation regarding the need for such accommodation.

An employee must notify the RED-INC Manager/Team Lead within five days of a drug “conviction” that relates to work. “Conviction” is a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the federal or state criminal drug statute. A RED-INC employee who receives a conviction for a drug violation in the workplace is subject to corrective procedures, up to and including immediate termination.

RED-INC employees agree to cooperate in questioning, examination, or search of their person, area, files, vehicles, desks, storage areas, bags, or other personal belongings on RED-INC or client property that the Company may request. Employees authorize RED-INC to remove and retain anything it deems to be contraband, chemical substances, weapons, or other materials or objects that could, in the Company's judgment, endanger the safety, health, property or security of the Company, employees, or sponsors.

Nothing in this policy is inconsistent with the Company's responsibility for compliance with federal, state, and local laws regarding fair employment practices, and RED-INC implements this policy in accordance with such laws.

## **RESIGNATION**

In accordance with the RED-INC Termination Policy, an employee planning to resign from RED-INC should make his/her intentions known to the Manager/Team Lead at least two weeks prior to the intended last day of employment. An employee submits a resignation letter at the time of notice. The Manager/Team Lead forwards the employee's letter to the HRM immediately, so that the employee's checkout can be scheduled.

## **LAYOFF**

It may be necessary to lay off an employee due to the termination or curtailment of a project and/or lack of work. Under such circumstances, the employee affected will be given as much notice as circumstances permit, as outlined in the RED-INC Termination Policy.

## **CHECKOUT PROCEDURES**

An employee who is terminating employment with RED-INC must coordinate a time for a final visit to the corporate office. The checkout procedure includes the following:

- Meeting with the FSO and receiving a security debriefing, if required, as well as relinquishing the CAC.
- Meeting with the RED-INC Manager/Team Lead to review the departing employee's former access to RED-INC and sponsor systems.
- Completing a timesheet to process a final paycheck.

- Meeting with the HRM to review employee rights and responsibilities for benefit plans.
- Having an exit interview with the Manager/Team Lead and/or HRM.
- Returning RED-INC property.

### **EXIT INTERVIEWS**

The HRM arranges an exit interview for a terminating employee. The employee has the opportunity to discuss impressions and make suggestions related to his/her employment at RED-INC. Employees voluntarily separating from the Company will be asked to complete an Exit Interview Questionnaire prior to their last day of work. The Questionnaire must be returned to the HRM prior to the scheduled exit interview.

### **RETURN OF COMPANY PROPERTY**

A RED-INC employee returns Company property issued to him/her (e.g., computers, software, tools, office equipment, etc.) at the time of dismissal or resignation or whenever requested by management.

### **CONTINUATION OF HEALTH INSURANCE BENEFITS (COBRA)**

An employee may be eligible to continue his/her present level of health insurance coverage under RED- INC's group plan if employment is terminated or hours of employment are reduced. The employee may continue coverage at his/her own cost for a period of up to 18 months (24 months under USERRA). The employee's spouse and dependent children under RED-INC's plan at the time of termination or reduction in hours may also have the right to continue health insurance coverage for up to 18 months. In addition, they may have the right to elect reinstatement under RED-INC's plan if they lose coverage for the following reasons: (a) the employee's death; (b) divorce or legal separation; (c) the employee's entitlement to Medicare; or (d) a dependent child's ceasing to be a "dependent" under the plan; however, if events (b) or (d) occur, the employee or spouse must notify the RED-INC HRM of the event within 60 days to continue coverage for the spouse or child.

The employee must contact the RED-INC HRM if any of the above events occur, since the law requires certain conditions be met for eligibility. The health plan booklet contains further details concerning RED- INC's health insurance coverage and the extension of benefits coverage in the event of conflict.

### **REFERENCES**

RED-INC does not respond to oral requests for references. All reference requests from prospective employers must be in writing and on Company letterhead. RED-INC does not provide information beyond confirming dates of employment and job position. RED-INC employees must not respond to requests for information regarding another employee unless doing so is part of their job responsibilities. Employees must forward requests for references to the HRM for a response.

### **RED-INC RESPONSIBILITIES**

Notwithstanding any other provision of this Handbook, RED-INC retains all managerial and administrative functions and authorities employers receive inherently, expressly, and by law.

## APPENDIX A

### Acronyms and Abbreviations

ADA	Americans with Disabilities Act
AD&D	Accidental Death and Dismemberment
ASO	Aviation Safety Officer
CBD	Commerce Business Daily
CDRL	Contract Data Requirements List
CD-ROM	Compact Disk – Read Only Memory
CFR	Code of Federal Regulations
CNWDI	Critical Nuclear Weapon Design Information
COBRA	Consolidated Omnibus Budget Reconciliation Act
COMSEC	Communications Security
DFARS	Defense Federal Acquisitions Supplement
DoD	Department of Defense
EAP	Employee Assistance Program
EEOC	Equal Employment Opportunity Commission
FAR	Federal Acquisition Regulation
FMLA	Family and Medical Leave Act
FOD	Foreign Object Debris/Damage
FOIA	Freedom of Information Act
FOUO	For Official Use Only
FSO	Facility Security Officer
GFE	Government Furnished Equipment
HRM	Human Resources Manager
HIPAA	Health Insurance Portability Accountability Act
HUMINT	Human-Source Intelligence
IMINIT	Imagery Intelligence
INFOSEC	Information Systems Security
ISP	Internet Service Provider
ISSM	Information Systems Security Manager
ISSO	Information Systems Security Officer
JTR	Joint Travel Regulation
LTD	Long Term Disability
LWOP	Leave Without Pay
M&IE	Meals and Incidental Expenses
MASINT	Measurement and Signature Intelligence
NATO	North Atlantic Treaty Organization
NISPOM	National Industrial Security Program Operating Manual
OM	Office Manager
OPSEC	Operations Security
OSH	Occupational Safety and Health
OSHA	Occupational Safety and Health Administration
OSINT	Open Source Intelligence

PDA	Personal Data Assistant
POC	Point of Contact
POV	Privately Owned Vehicle
PPE	Personal Protective Equipment
PTO	Paid Time Off
RED-INC	Research and Engineering LLC
RFP	Request for Proposal
RFQ	Request for Quote

SCGs Security Classification Guides  
SECNAVINST Secretary of the Navy Instruction  
SIGINT Signals Intelligence  
STD Short Term Disability  
VAL Visit Authorization Letter



