



LOGISTICS GIVING RESOURCES

EMPLOYEE HANDBOOK

2018

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ABOUT THIS HANDBOOK

As with any job change, you will experience a period of adjustment. You will want to know what you can expect from our Company and what will be expected from you. You may have questions about your job duties, your benefits, and the general operation of our Company. We have prepared this Handbook to assist you in finding the answers to many of these questions. However, we do not expect this Handbook to answer all of your questions. Your supervisor will be your primary source of information.

This Handbook is provided as a guide you may use to familiarize yourself with LG Resources. The Handbook is not, nor should it be considered to be, an agreement or contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation. This Handbook states only general Company guidelines. To the extent anything contained in this Handbook conflicts with an applicable collective bargaining agreement, the collective bargaining agreement governs. The Company's policy is that employment is "at will." You are free to leave the Company at any time, with or without a reason and with or without notice. The Company also has the right to end your employment at any time, with or without a reason and with or without notice. Although the Company may choose to end your employment for a cause, cause is not required. Further, the Company has the right to manage its work force and direct its employees. This includes the right to hire, transfer, promote, demote, reclassify, lay off, terminate, or change any term or condition of employment at any time, with or without a reason and with or without notice unless otherwise required by law. The Company may, at any time, in its sole discretion, modify or vary anything stated in this Handbook—except as required by law, and except for the rights of the parties to terminate employment at will, which may only be modified, on an individual or collective basis, by an express written agreement signed by the Area Office Manager of the Company.

This Handbook supersedes all prior handbooks, manuals, policies, and procedures issued by LG Resources. Any violation of the policies and/or procedures set forth in this Handbook may result in disciplinary action, up to and including termination.

TABLE OF CONTENTS

I. INTRODUCTION	4
A. WELCOME	4
B. THE COMPANY	4
C. OUR COMPANY PHILOSOPHY	4
D. YOUR SUPERVISOR	4
E. QUESTIONS, SUGGESTIONS, AND CONCERNS.....	5
II. BASIC EMPLOYMENT POLICIES.....	5
A. EQUAL EMPLOYMENT OPPORTUNITY	5
B. NO HARASSMENT	6
C. REASONABLE ACCOMMODATION OF INDIVIDUALS WITH DISABILITIES.....	8
D. REASONABLE ACCOMMODATION OF INDIVIDUALS WITH PREGNANCY RELATED CONDITIONS	8
E. REASONABLE ACCOMMODATION OF INDIVIDUALS' RELIGIOUS BELIEFS AND PRACTICES	9
F. SUBSTANCE ABUSE	9
G. WORKPLACE VIOLENCE PREVENTION.....	10
III. WORKING AT THE COMPANY	10
A. EMPLOYEE CLASSIFICATIONS.....	10
B. INTRODUCTORY PERIOD OF EMPLOYMENT	11
C. YOUR PERSONNEL AND PAYROLL RECORDS	12
D. PERFORMANCE EVALUATIONS	12
E. YOUR WAGES	12
F. YOUR WORK WEEK.....	13
H. OVERTIME.....	13
I. TIMEKEEPING.....	13
J. YOUR PAYCHECK.....	14
K. SAFE HARBOR POLICY FOR EXEMPT EMPLOYEES	15
L. EXPENSE REIMBURSEMENT	16
IV. EMPLOYEE BENEFITS.....	16
A. YOUR BENEFITS PACKAGE	16
B. INSURANCE AND RETIREMENT BENEFITS.....	17
C. WORKERS' COMPENSATION INSURANCE AND SHORT-TERM DISABILITY BENEFITS.....	17
E. FAMILY AND MEDICAL LEAVE.....	19
F. MEDICAL LEAVE OF ABSENCE OTHER THAN FAMILY AND MEDICAL LEAVE 22	
G. BEREAVEMENT LEAVE.....	23
H. JURY DUTY LEAVE.....	23
V. WORKPLACE STANDARDS	24
A. GENERAL RULES OF CONDUCT	24
B. INTERNAL COMPLAINT PROCEDURE.....	25

C.	ATTENDANCE.....	25
D.	TELECOMMUTING POLICY	26
E.	PERSONAL APPEARANCE.....	29
F.	SMOKING.....	30
G.	PERSONAL VISITS, TELEPHONE CALLS, AND MAIL.....	30
H.	ELECTRONIC COMMUNICATIONS POLICY	30
I.	SOCIAL NETWORKING POLICY	31
J.	BULLETIN BOARDS	32
K.	SOLICITATION AND DISTRIBUTION	32
L.	SEARCHES OF COMPANY AND EMPLOYEE PROPERTY.....	33
M.	CONFIDENTIALITY.....	33
N.	CONFLICT OF INTEREST	33
O.	SUPPLIER-PROVIDED GIFTS.....	34
VI.	SAFETY/SECURITY.....	35
A.	SAFETY	35
B.	ACCIDENTS ON COMPANY PREMISES.....	36
C.	PERSONAL BELONGINGS	36
E.	DRIVING RECORDS	36
F.	PROOF OF INSURANCE.....	37
G.	DRIVING FOR COMPANY BUSINESS.....	37
H.	NOTICE OF SUSPENSION OR REVOCATION OF LICENSE OR CANCELLATION OR MODIFICATION OF LIABILITY INSURANCE.....	37
I.	USE OF CELLULAR PHONES AND HAND-HELD RADIOS WHILE OPERATING A VEHICLE	37
J.	OFF-DUTY ACCESS.....	38
VII.	IF YOU LEAVE US.....	38
VIII.	A FEW CLOSING WORDS.....	39
IX.	EMPLOYEE ACKNOWLEDGEMENT.....	40
X.	ACKNOWLEDGMENT OF RECEIPT OF LG RESOURCES' NO HARASSMENT POLICY.....	41

I. INTRODUCTION

A. WELCOME

Welcome to LG Resources! We extend our congratulations on your employment with a leader and innovator in the Manufacturing and Distribution industry. As a LG Resources employee, you are our most important resource. Through your efforts as a member of our team, we provide a quality service at a reasonable cost to our customers. Your pride in your work and your Company is the primary ingredient of our success. We wish you the best during your employment with LG Resources. Thanks for joining our team!

Troy Hyde

President

B. THE COMPANY

LG Resources is a premier staffing agency, specializing in staffing for manufacturers and distributors. LG Resources launched in 2009 with a vision to take staffing to a higher level. LG Resources main directive is to do a more comprehensive screening when filtering potential employees. LG Resources believes, by providing well equipped skilled employees in the logistics field, we maintain long lasting, successful relationship with our clients. We are proud of our past, excited about our future, and confident of our continued success.

C. OUR COMPANY PHILOSOPHY

Our Company is an equal opportunity employer. We believe all of our employees should be treated fairly and consistently. Our goal is to maintain a satisfied and productive team of employees. The keys to reaching that goal are effective leadership, fair and competitive wages and benefits, dedication to the job, and close attention to employee relations matters.

At our Company, every member of the management team is committed to our philosophy that effective leadership and dedication are the keys to a productive work environment. You have the opportunity to express your concerns, suggestions, and comments to us directly so we can understand and work with each other better. You are always free to speak to your supervisor or any member of our management team. We encourage you to raise and obtain answers to any questions that may be on your mind so we can address your concerns in a timely manner. We are proud of our relationship between our management team and our employees, and we recognize there is always room for improvement. We will always give consideration to your concerns, and we are interested in your thoughts and opinions. While we cannot guarantee we will always give you the answer you want, we will do our best to listen and to address your concerns.

D. YOUR SUPERVISOR

Your supervisor is a vital part of our management team. Your supervisor is responsible for planning the work schedule, ensuring the quality of your work, and providing you with whatever assistance you may need. Your supervisor will arrange for your job instructions, introduce you to your fellow employees, show you where things are, and advise you of your work performance.

An important part of your supervisor's responsibilities is to answer questions, listen to your concerns, and take action where appropriate. If your supervisor does not have an answer to your question, he or she will do his or her best to obtain one for you.

E. QUESTIONS, SUGGESTIONS, AND CONCERNS

We encourage you to bring your questions, suggestions, and concerns to our attention. While we are proud of the current relationship between management and employees, we recognize there is always room for improvement. We will give consideration to your concerns.

If you have a question, suggestion or concern, you may discuss it with your supervisor. Because you and your supervisor work closely on a daily basis, most concerns can be addressed and resolved at that level. However, if you otherwise feel uncomfortable speaking with your supervisor or have not received a satisfactory response you may contact the appropriate Office Manager for the area in which you work: SLC: (Jon Martinez) 801-973-6755; Roy: (Kit Robinette) 801-399-4473; Provo: (Derren Herbert) 801-900-4726.

II. BASIC EMPLOYMENT POLICIES

A. EQUAL EMPLOYMENT OPPORTUNITY

LG Resources is an equal opportunity employer. We enthusiastically accept our responsibility to make employment decisions without regard to race, religious creed, color, age, sex, national origin, ancestry, citizenship status, religion, marital status, disability, military service or veteran status, genetic information, or any other classification protected by applicable federal, state, and local laws and ordinances. Our management is dedicated to ensuring the fulfillment of this policy with respect to hiring, placement, promotion, transfer, demotion, layoff, termination, recruitment advertising, pay, and other forms of compensation, training, and general treatment during employment.

Any violation of this policy will not be tolerated and will result in appropriate disciplinary action, up to and including termination. If an employee believes someone has violated this policy or otherwise has questions regarding this policy, the employee may bring the matter to the attention of the Human Resources manager for the company to which you have been assigned or a LG Resources Office Manager. SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726. The Company will promptly investigate the facts and circumstances of any claim this policy has been violated and take appropriate corrective measures.

No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting perceived violations of this policy, pursuing any such claim, or cooperating in any way in the investigation of such claims.

B. NO HARASSMENT

LG Resources does not tolerate harassment of our job applicants, contractors or employees by another employee, supervisor, vendor, customer, or any third party. Any form of harassment on the basis of race, religious creed, color, age, sex, national origin, ancestry, citizenship status, religion, marital status, disability, military service or veteran status, genetic information or any other classification protected by applicable federal, state, or local laws and ordinances is prohibited and will be treated as a disciplinary matter. The Company is committed to a workplace free of harassment.

Harassment Defined. Harassment as defined in this policy is unwelcome verbal, visual or physical conduct, based on an individual's protected characteristic, creating an intimidating, offensive, or hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), graphic (including offensive posters, symbols, cartoons, drawings, computer displays, or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion towards an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a professional and respectful manner.

Sexual Harassment Defined. Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal or physical conduct of a sexual nature.

Examples of conduct that violates this policy include:

- unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement
- requests for sexual favors or demands for sexual favors in exchange for favorable treatment
- obscene or vulgar gestures, posters, or comments
- sexual jokes or comments about a person's body, sexual prowess, or sexual deficiencies
- propositions, or suggestive or insulting comments of a sexual nature
- derogatory cartoons, posters, and drawings
- sexually-explicit e-mails or voicemails
- uninvited touching of a sexual nature
- unwelcome sexually-related comments
- conversation about one's own or someone else's sex life
- conduct or comments consistently targeted at only one gender, even if the content is not sexual
- teasing or other conduct directed toward a person because of the person's gender

All such conduct is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the

conduct is engaged in by a supervisor, co-worker, client, customer, vendor, or other third party.

Reporting Procedures. The following steps have been put into place to ensure the work environment at LG Resources is free of harassment. If an employee believes someone has violated this policy, the employee should promptly bring the matter to the immediate attention of the Human Resources manager for the company to which you have been assigned or a LG Resources Office Manager. SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726. If the employee makes a complaint under this policy and has not received a satisfactory response within five (5) business days, he or she should contact Andy Akin, Human Resources VP. 2732 S. 3600 W. Ste E Salt Lake City, UT. 84119. 801-973-6755. aakin@lghires.com, immediately

If you work a shift that starts after 5 PM, please immediately report your concerns to the Human Resources manager for the company to which you have been assigned, any member of management available during your shift, Troy Hyde at 801-390-1947 or to Andy Akin at 801-663-3449.

If you work at a remote location where there is no member of senior management available, immediately report your concern, please immediately report your concerns to Troy Hyde at 801-390-1947 or to Andy Akin at 801-663-3449. Both numbers are operational every day 24/7.

Investigation Procedures. The Company will promptly investigate the facts and circumstances of any claim of harassment. To the extent possible, the Company will endeavor to keep the reporting employee's concerns confidential; however confidentiality cannot be guaranteed. Employees must cooperate in all investigations. During the investigation, the Company generally will:

- interview the complainant and the alleged harasser
- conduct further interviews as necessary
- document the Company's findings regarding the complaint
- document recommended follow-up actions and remedies, if warranted
- inform the complainant of the Company's findings.

Every supervisor who learns of any employee's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to an Area Office Manager or to Human Resources. SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726 Andy Akin, Human Resources VP. 2732 S. 3600 W. Ste E Salt Lake City, UT. 84119. 801-973-6755. aakin@lghires.com.

Upon completion of the investigation, the Company will take corrective measures against any person who has engaged in conduct in violation of this policy, if the Company determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension, or immediate termination. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy will be subject to discipline, up to and including termination.

No Retaliation. No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting perceived violations of this policy in good faith, pursuing any such claim, or cooperating in any way in the investigation of such claims in good faith. If an employee believes someone has violated this no-retaliation policy, the employee should bring the matter to the immediate attention of Andy Akin Human Resources VP:801-973-6755] or the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy against retaliation will be subject to discipline, up to and including termination.

We cannot remedy claimed harassment or retaliation unless you bring these claims to the attention of management. Failure to report claims of harassment and/or retaliation prevents us from taking steps to remedy the problem.

C. REASONABLE ACCOMMODATION OF INDIVIDUALS WITH DISABILITIES

LG Resources recognizes and supports its obligation to endeavor to reasonably accommodate job applicants and employees with known physical or mental disabilities who are able to perform the essential functions of the position, with or without reasonable accommodation. LG Resources will endeavor to provide reasonable accommodation to otherwise qualified job applicants and employees with known physical or mental disabilities, unless doing so would impose an undue hardship on the Company or pose a direct threat of substantial harm to the employee or others. An applicant or employee who believes he or she needs a reasonable accommodation of a disability should discuss the need for possible accommodation with the Human Resources Department, his or her direct supervisor or the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726.

D. REASONABLE ACCOMMODATION OF INDIVIDUALS WITH PREGNANCY RELATED CONDITIONS

LG Resources recognizes and supports its obligation to endeavor to reasonably accommodate job applicants and employees related to pregnancy, childbirth, breastfeeding, or related conditions, who are able to perform the essential functions of the position, with or without reasonable accommodation. LG Resources will endeavor to provide reasonable accommodation to otherwise qualified job applicants and employees related to pregnancy, childbirth, breastfeeding, or related conditions, unless doing so would impose an undue hardship on the Company. An applicant or employee who believes he or she needs a reasonable accommodation of a disability should discuss the need for possible accommodation with the Human Resources Department, his or her direct supervisor or the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726. The Company may require an employee to provide certification from the employee's health care provider concerning the medical advisability of a reasonable accommodation. No medical certification will be required for more frequent restroom, food, or water breaks.

E. REASONABLE ACCOMMODATION OF INDIVIDUALS' RELIGIOUS BELIEFS AND PRACTICES

LG Resources recognizes and supports its obligation to endeavor to reasonably accommodate job applicants and employees with sincere religious beliefs or practices who are able to perform the essential functions of the position, with or without reasonable accommodation. LG Resources will endeavor to provide reasonable accommodation to otherwise qualified job applicants and employees, unless doing so would impose an undue hardship on the Company. An applicant or employee who believes he or she needs a reasonable accommodation of a sincere religious belief or practice should discuss the need for a possible accommodation with his or her direct supervisor or the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726.

F. SUBSTANCE ABUSE

The Company is required by law to provide a safe and healthy work environment for employees. In addition, it is the Company's goal to provide the best service possible to its customers. To achieve these goals, the Company has the following rules about the use, possession, and sale of drugs and alcohol by its employees.

The illegal or unauthorized use, being under the influence of, sale, distribution, or possession of narcotics, drugs, or controlled substances while on the job (on or off Company property) or on Company property will result in immediate disciplinary action, up to and including termination. In addition, alcohol cannot be consumed on Company property unless at an authorized social function sponsored by the Company, in which case consumption must be reasonable and responsible, and the use of alcohol during working hours or reporting to work under the influence of alcohol is strictly prohibited.

The use of controlled substances prescribed to you by a licensed physician or are available over the counter is not prohibited by this policy. However, if a physician has prescribed medication that requires any accommodation or poses safety concerns, please notify your supervisor or the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726 to discuss what accommodations are necessary.

Violation of this policy will result in disciplinary action, up to and including discharge.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation.

G. WORKPLACE VIOLENCE PREVENTION

We are strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company property. We specifically discourage employees from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations and informing management accordingly.

Threats, threatening language, or any other acts of aggression or violence made toward or by any Company employee will not be tolerated. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, attempts to intimidate or to instill fear in others, menacing gestures, bringing weapons into the workplace, stalking, or any other hostile, aggressive, injurious and/or destructive actions undertaken for the purpose of domination or intimidation. Generally, weapons are prohibited on Company premises unless such prohibition is restricted by applicable state law.

All potentially dangerous situations including threats by co-workers should be reported immediately to the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726, or to any other member of management with whom you feel comfortable. Reports of threats may be made anonymously. All threats will be promptly investigated. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat under this policy.

If an investigation confirms that threat of a violent act or violence itself has occurred, the Company will take appropriate corrective action. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy, including retaliation, will be subject to discipline, up to and including termination.

If you are the recipient of a threat made by an outside party, please follow the steps detailed in this section. It is important for the Company to be aware of any potential danger in our workplace. Indeed, we want to take every precaution to protect everyone from the threat of a violent act by an employee or anyone else.

III. WORKING AT THE COMPANY

A. EMPLOYEE CLASSIFICATIONS

A number of different types of employees are employed by LG Resources.

- Introductory Employees: All employees, during the first 90 days of employment or any extension of that period. Introductory employees may be eligible for some, but not all, Company benefits. Introductory time period may vary, which will be determined by the company to which you have been assigned.
- Regular Full-Time Employees: Employees who are regularly scheduled to work at least 40 hours per week and who have completed the 90 day introductory period (or

the period of time required by the company to which you have been assigned). Regular full-time employees may be eligible for all Company benefits, subject to the terms and conditions of the applicable plans.

- Regular Part-Time Employees: Employees who are regularly scheduled to work fewer than 30 hours per week and who have completed the 90 day introductory period. Part-time employees may be eligible for some, but not all, Company benefits, subject to the terms and conditions of the applicable plans.
- Temporary Employees: Employees who are hired for a specific task or project, usually involving fewer than 180 days. While they do receive all statutory benefits, temporary employees are not eligible for Company benefits.

In addition to the above classifications, employees are categorized as either “**exempt**” or “**non-exempt**.”

- Non-Exempt Employees: Employees who are eligible for overtime under the federal Fair Labor Standards Act and/or applicable state wage/hour laws. Non-exempt employees are entitled to an overtime premium for overtime work in accordance with state and federal law.
- Exempt Employees: Salaried employees whose work duties exempt them from the overtime provisions of the federal Fair Labor Standards Act and any applicable state wage/hour laws. Employees classified as exempt receive a salary which is intended to cover all hours worked.

Employees will be informed of their initial employment classification and status as exempt or non-exempt upon commencing employment. An employee may change classifications only upon written notification by the Company. There are no automatic conversions from one classification to another. Please speak to your supervisor if you have any concerns or questions about your classification.

B. INTRODUCTORY PERIOD OF EMPLOYMENT

The first 90 days of your employment will typically be an Introductory Period. The introductory time period may vary and will be determined by the company to which you have been assigned. The Introductory Period is designed to give you a chance to become familiar with the Company and to learn your job. It also gives your supervisor a chance to work more closely with you while you learn about your job, and evaluate your performance. During this period, you may be placed in different tasks if needed. The Company reserves the right to extent the introductory period in its sole discretion.

The Introductory Period is just that—an introduction. Completion of the Introductory Period signifies our hope you will be capable of functioning fully in your position. Completion of the Introductory Period is not in any way unqualified acceptance by the Company of your performance or an assurance of continued employment. As such, completion of the introductory period does not alter the at-will nature of employment. In order to begin working in the Introductory Period, all new employees must successfully complete onboarding which includes

but is not limited to: passing a drug screen test, background check and possible work-related testing for job comprehension. Please note that \$20 will be withheld from the first paycheck received to cover associated expenses with employee onboarding.

Dependent upon your job placement after the introductory period has concluded, additional screening may be required based on client need including drug testing, additional background checks, or other. This screening may be subject to additional fees (\$15-\$20/test) which will be deducted from your paycheck upon completion.

C. YOUR PERSONNEL AND PAYROLL RECORDS

In order to obtain your position, you provided us with a great deal of personal information, such as your address and telephone number. This information is contained in your confidential personnel file. It is important your personnel records are accurate and up-to-date. Certain information also is necessary to determine the amount of wage deductions for federal and state income tax. You should notify LG Resources of any change in your name, address, telephone number, marital status, number of dependents, or emergency contact telephone number. Employees will be granted access to and copies of personnel files to the extent required and in accordance with applicable state law.

D. PERFORMANCE EVALUATIONS

We endeavor to schedule periodic performance evaluations after the Introductory Period and on the employee's anniversary date to give you an opportunity to discuss your work performance with your supervisor. In addition, your supervisor may give you regular input regarding your performance.

During your formal performance review, your supervisor will consider the following issues, among others: attendance, initiative and effort, knowledge of your work, quality and quantity of work performed, and the conditions under which you work. The performance evaluation is designed to identify your strengths and also inform you of areas where improvement may be required. Your performance evaluation may also provide an opportunity for you to discuss performance goals and targets with your supervisor.

E. YOUR WAGES

Your pay is influenced by many factors, including your skills, experience, salary history, education, nature and scope of your job, performance, and the Company's budgetary needs. Wage and salary increases are based on a number of factors, including the Company's financial wellbeing, your performance, and wages within our industry. Length of service may also be among the factors considered. Raises are determined in the sole discretion of the Company. A good performance review neither guarantees a raise nor promises continued employment with the Company. The Company generally reviews wages after the completion of the Introductory Period of employment and on the employee's anniversary date.

F. YOUR WORK WEEK

When you begin your employment with us, you will be advised of your schedule. From time-to-time, it may be necessary to change your work schedule. Your cooperation with any such changes is both expected and appreciated. We will do our best to give you as much advance notice as possible of any changes in your work schedule. We also will try to keep all unscheduled changes to a minimum.

For payroll purposes, the workweek starts on 12:01 a.m. Sunday and ends on Midnight Saturday.

G. LACTATION ACCOMMODATION

The Company will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child, to the extent required and in accordance with applicable law. The break time, if possible, must run concurrently with rest and meal periods already provided to the employee. If the break time cannot run concurrently with rest and meal periods already provided to the employee, the break time will be unpaid, to the extent permitted by applicable law. The Company will make reasonable efforts to provide employees with the use of a room or location other than a toilet stall for the employee to express milk in private. This location may be the employee's private office, if applicable. The Company may not be able to provide additional break time if doing so would seriously disrupt the Company's operations. Please speak to Andy Akin, Human Resources VP. 2732 S. 3600 W. Ste E Salt Lake City, UT. 84119. 801-973-6755. aakin@lghires.com if you have questions regarding this policy.

H. OVERTIME

The nature of our business sometimes requires employees to work overtime. Your supervisor will notify you when you are required to work overtime. We expect and appreciate your cooperation. We will try to provide you with advance notice of any overtime that will be required of you. If you are a non-exempt employee, you will be paid overtime in accordance with state and federal overtime requirements. For all hours worked in excess of 40 hours in one (1) week, you will be paid at one and one-half times (1½) your regular rate of pay, unless otherwise required by applicable law. There may be exceptions to these standards where allowed by law.

Please remember you are not allowed to work overtime unless it has been authorized in advance by your supervisor. He or she will initial your overtime hours on your timecard or attendance sheet. Each company to which you are assigned may have minor alterations in regards to Overtime. For details, consult with a member of the Company's Management or Human Resources.

I. TIMEKEEPING

If you are a non-exempt employee, you will receive a either a time sheet or timecard at the beginning of each work week on which you are to record your daily starting, meal and ending times. You must show an accurate record of the hours you work because your paycheck will be

based on this attendance record. Your time sheet or timecard must remain in the space provided for these items.

You are to follow the specified sign in procedure to sign in when you arrive at work, but under no circumstances are you to sign in and begin work more than five (5) minutes prior to your scheduled starting time or five (5) minutes after your scheduled quitting time unless specifically authorized. You are required to follow the specified sign out procedure to sign out whenever you leave the building for any non-business reason and during your meal period, regardless of whether you leave the premises. Non-exempt employees may never work off the clock.

If you fail to record your starting or quitting time or there is an error on your time log, be sure to notify your supervisor. All attendance records must be approved by your supervisor. You may only record starting and quitting time on your own time cards or time sheets. Doing so for other employees may lead to discipline, up to and including termination.

J. YOUR PAYCHECK

Payday

Depending on the company to which you have been assigned, you will be paid weekly or bi-weekly by check or direct deposit consistent with applicable law, on Friday for all the time you have worked during the past pay period.

Deductions

We are required by law to make certain deductions from your paycheck. Your pay stub itemizes the deductions made from your gross earnings. Federal or state laws require we make deductions for social security, federal income tax, state income tax (where applicable), state disability insurance (where applicable), and any other legally-mandated taxes or deductions. In addition, you may authorize deductions for additional items, such as your contribution for medical insurance, 401K savings plans, etc.

Any questions you may have about your paycheck or the deductions made should be addressed to Human Resources: (Andy Akin) 801-973-6755 or the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726

Pay Card or Direct Deposit

If you wish to have your paycheck deposited directly into your bank account, you must provide the Front Desk Coordinator a voided check from the account into which you wish your check deposited. Even if your check is deposited directly, you will receive a pay stub itemizing the amount deposited and the deductions from your pay. It generally takes two (1) pay period for direct deposit to take effect.

Releasing Paychecks to Others

If you wish to have someone else pick up your paycheck, you must provide written authorization giving that person permission to receive your paycheck for you. You generally must provide this authorization in advance.

K. SAFE HARBOR POLICY FOR EXEMPT EMPLOYEES

It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure you are paid properly and no improper deductions are made, you must review your pay stubs promptly to identify and to report all errors.

If you believe a mistake has occurred or if you have any questions, please use the reporting procedure outlined below.

As an exempt salaried employee, you receive a salary which is intended to compensate you for all hours you work for the Company. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time-to-time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

Under federal and state law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary can be reduced for the following reasons:

- Full-day absences for personal reasons.
- Full-day absences for sickness or disability, if you have exhausted the paid sick leave available to you.
- Intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, if you have exhausted other paid leave available to you.
- Full day disciplinary suspensions for infractions of our written policies and procedures.
- To offset amounts received as payment for jury and witness fees or military pay.
- During the first or last week of employment in the event you work less than a full week.
- Any workweek in which you perform no work for the Company.

Your salary also may be reduced for certain types of deductions, such as your portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan.

In any workweek in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial-day absences for personal reasons, sickness or disability.
- Your absence on a holiday when the facility is closed, or because the facility is otherwise closed on a scheduled workday.

- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.

If you believe you have been subject to any improper deductions, you should immediately report the matter to Human Resources: (Andy Akin) 801-973-6755. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact the appropriate Office Manager for the area in which you work SLC: (Jon Martinez) 801-973-6755, Roy: (Kit Robinette) 801-399-4473, Provo: (Derren Herbert) 801-900-4726], If you are unsure of whom to contact if you have not received a satisfactory response within five (5 business days after reporting the incident, please immediately contact the Company President Troy Hyde, 2732 S 3600 W Salt Lake City, UT. Ste E 84119, 801-390-1947. Both the President of the company and Human Resources can be reached 7 days a week 24/7.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including termination for any employee(s) who violates this policy. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

L. EXPENSE REIMBURSEMENT

The Company will approved reimburse employees for reasonable expenses incurred for business purposes including, but not limited to, meals, lodging, and transportation. The Company will reimburse mileage driven on your personal automobile at the current IRS-approved rate per mile. All business travel and business purchases must be approved in advance by the President of LG Resources in order to be eligible for reimbursement. You should complete expense reimbursement reports within 7 days of incurring the expense and give the reports and receipts to Andy Akin, Human Resources, via email: aakin@lghires.com.

IV. EMPLOYEE BENEFITS

A. YOUR BENEFITS PACKAGE

LG Resources offers a number of benefits to its eligible employees. Most benefits will be described for you in a benefits orientation meeting when you commence employment. This Handbook briefly describes some of those benefits.

The descriptions of the insurance benefits merely highlight certain aspects of the Company's plans for your general information only. The provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") (which may be revised from time to time) for the plans. Additionally, the official plan documents are available for your review upon your request from management. In the determination of benefits or other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs.

Further, the Company (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit eligibility and entitlement.

While the Company intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If you have any questions regarding your benefits, please contact Andy Akin, Human Resources, 801-973-6755.

B. INSURANCE AND RETIREMENT BENEFITS

Eligible employees of LG Resources may participate in a variety of insurance and retirement programs. These programs are explained fully in information you will receive from Andy Akin, Human Resources, 801-973-6755. The specific benefit plans that apply to you may vary. Therefore, please refer to the separate benefits booklets given to you at the time of your enrollment in any benefit plans for further information. Troy Hyde, President, thyde@lghires.com also is available to answer any questions you may have concerning your eligibility and coverage. LG Resources may modify or rescind any benefits provided after notice to you.

C. WORKERS' COMPENSATION INSURANCE AND SHORT-TERM DISABILITY BENEFITS

Accidental injuries which occur during working hours or conditions caused by work activities are covered under our Workers' Compensation policy, which is paid for by the Company. This insurance provides for the payment of medical expenses and weekly compensation payments during the period of an employee's work-related injury or illness.

Report all injuries, no matter how slight, to management as soon as possible. You must file your claim forms promptly in order for your claim to be processed and Company records to be prepared properly. Failure to follow Company procedures may affect your ability to receive Workers Compensation benefits. Employees also may be entitled to receive statutory short-term disability payments for non-occupational injuries depending upon their work location.

Workers' Compensation is solely a monetary benefit and not leaves of absence.

D. PAID TIME OFF (PTO) [OPTIONAL VERSION 3]

Paid time off (PTO) is intended to provide employees with a reasonable period of time each year to be free of job responsibilities. PTO may be used for most reasons you are not able to work, including vacations, sick days, personal days off (i.e. Birthday of personal business), childcare, their own illness or need for medical care, family concerns or illness, and medical or dental appointments.

Regularly scheduled full-time employees employed at a Company office location are eligible to accrue paid time off. Accrual begins based on hire date and after the completion of the

Introductory Period and occurs as an employee works. Part time, Temporary and Casual employees employed at an offsite client location are not eligible to accrue paid vacation time. The rate your PTO accrues depends upon your employee status and length of service with the Company. PTO for regular full-time employees accrues according to the table below.

<u>Length of Continuous Service</u>	<u>Maximum Accrued Days of PTO Per Year</u>
0 – 12 months	3 Days
1 year to 2 years	5 Days
2 years to 4 years	10 Days Reg. + 3 Days Paid Sick Leave
4 years to 5 years	15 Days Reg. + 3 Days Paid Sick Leave
6 years or more	20 Days Reg. + 5 Days Paid Sick Leave

Employees accrue PTO pro-rata as they work up to the maximum accruals stated above. PTO must be used during the year in which it is accrued. Accrued, unused PTO may not be carried over from year to year. We do not “cash out” PTO in lieu of you taking PTO. Upon separation of employment for any reason, all employees will not be paid for their accrued or unused PTO.

Requests for time off should be submitted to your manager using the appropriate form for approval at least 2 weeks prior to your anticipated day(s) off. Where advance notice is not possible (for example, due to illness), you are expected to notify your manager of your absence as soon as practicable, but no later than 30 minutes before the start of your normally scheduled workday. Your manager will approve or deny your PTO request after considering such factors as department workload, the timeliness of your PTO request, the work schedules and time off requests of co-workers, project deadlines and other requirements that best ensure the continued smooth operation of your department and the company. If your PTO request is denied and you elect to take time off anyway, the time will be unpaid and you may be subject to disciplinary action under our attendance guidelines.

We strongly believe employees should devote their PTO used for vacation or personal reasons for rest and relaxation. Doing so allows employees to recharge their batteries and generally makes for a more productive workforce. Accordingly, employees who are using PTO are not expected to check their voice mail or e-mail when away from the workplace.

If a Company-recognized holiday falls during a scheduled vacation, the holiday time off will not be charged against the employee’s accrued vacation time. Recognized holidays are as follows: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve (conditional), Christmas Day and New Year’s Eve (conditional). PTO is not accrued during disability and other leaves of absence. PTO hours may not be used to provide payment for absence due to disciplinary suspension.

E. FAMILY AND MEDICAL LEAVE

Eligibility Requirements

Employees are eligible for FMLA if:

- At least 50 or more employees are employed within a 75-mile radius of the employee's work site;
- The employee has been employed for at least one year; and
- The employee has worked at least 1250 hours within the previous 12 months.

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on covered active duty or call to covered active duty status in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A **"covered service member"** is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered service members also include a veteran who was discharged or released from military service under condition other than dishonorable at any time during the five (5) year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a “serious injury or illness” for current Armed Forces members and covered veterans are distinct from the FMLA definition of a “serious health condition” applicable to FMLA leave to care for a covered family member.

Benefits and Protections

During FMLA leave, the employer must maintain the employee’s health coverage under any “group health plan” on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least one year, for 1,250 hours over the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer’s operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer’s

normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer's Responsibilities

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

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

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- Interfere with, restrain or deny the exercise of any right provided under FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer. FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

F. MEDICAL LEAVE OF ABSENCE OTHER THAN FAMILY AND MEDICAL LEAVE

If you are not eligible for Family and Medical Leave or have exhausted your Family and Medical Leave entitlement, or as otherwise required by law, the Company may provide you with an unpaid medical leave of absence due to illness or injury.

If you are disabled due to illness or injury, you should give written notice of disability to your supervisor as soon as possible. Requests for leaves for elective surgery should be submitted at least 5 days in advance. Leave requests must include a certification from your healthcare provider stating the date on which the condition began, the probable duration of the leave, a statement you are unable to work at all or are unable to perform one or more of the essential functions of your position with or without reasonable accommodation, and the expected date of return to work. You also must submit a medical certification from your healthcare provider establishing your continuing need for leave to Andy Akin, Human Resources, at aakin@lghires.com every 30 days during your leave.

You must use any accrued paid time off, including vacation and sick time, during a leave under this policy. The substitution of paid leave for unpaid leave will not extend the maximum duration of your leave. We encourage you to contact the Employment Development Department regarding your eligibility for state disability insurance for the unpaid portion of your leave.

Under the law, eligibility for employer paid health and dental insurance benefits cease during a leave under this policy. Accordingly, you must pay your portion of the medical and dental premiums during a leave of absence granted under this policy if you choose to receive such benefits during the leave. You will receive notice of your right to continue your benefits through COBRA.

A leave of absence under this policy generally will typically be for a period of up to 3 months, unless otherwise required by law. Requests for any extension beyond these 3 months of leave by an employee who is disabled by a medical condition will be evaluated on a case-by-case basis as a possible reasonable accommodation, consistent with applicable federal and state law. If you request an extension of your leave, you must submit a certification from your healthcare provider of continued need for medical leave for each extension request. In some cases, the Company may ask that you provide medical information to the Company or a medical professional of its choosing supporting your request for further leave.

When you are able to return to work, you must give the Company at least one (1) week's notice of your intent to return by mailing to the office in your area SLC: 2732 S. 3600 W. Salt Lake City, UT. 84119, Roy: 1952 W. 5600 S. Ste. 4, Roy, UT 84067, or Provo: 37 W. 300 N. Provo, UT. 84057, a certification from your healthcare provider stating you are physically able to return to your duties with or without accommodation. This notice is important so your return to work is properly scheduled.

Unless otherwise required by law, we will make reasonable efforts to return you to the same or similar job and at the same rate of pay held prior to your leave of absence, subject to operational requirements that may exist. If you do not return from work on the originally-scheduled return date or request in advance an extension of the agreed upon leave with appropriate

medical documentation, you may be deemed to have voluntarily terminated your employment with the Company.

In addition, failure to notify the Company of your availability for work when it occurs, failure to return to work when called by the Company, or your continued absence from work because your leave must extend beyond the maximum time allowed, may be deemed a voluntary termination of your employment with the Company.

G. BEREAVEMENT LEAVE

We know the death of a family member is a time when you will want to be with the rest of your family. Should you lose a member of your immediate family, you will be allowed time off to help you attend to your obligations and commitments. Reasonable time off without pay will be granted by your supervisor as the location of the funeral and closeness of the relationship dictates.

Regular full-time employees will be given paid time off for one day if the funeral is within the state and up to three days if the funeral is outside the state. "Immediate family" includes an employee's spouse, child, parent, sister, brother, grandparents, mother-in-law, father-in-law, step-parents, step-child, and any other relation required by applicable law. Employees on vacation or a leave of absence are not entitled to bereavement leave. The Company may require verification of death and relation to the deceased.

H. JURY DUTY LEAVE

The Company realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. You are expected, however, to provide the Company with proper notice of your request to perform jury duty and with your verification of service. You also are expected to keep management informed of the expected length of your jury duty service and to report to work for the major portion of the day if you are excused by the court. If the required absence presents a serious conflict for management, you may be asked to try to postpone your jury duty. Employees on jury duty leave will be paid for time spent on jury duty service in accordance with state law, however, exempt employees will be paid their full salary for any week in which they perform authorized work for the Company.

I. MILITARY LEAVE

If you are called to active military duty or you enlist in the uniformed services, you are eligible for unpaid military leave of absence in accordance with state and federal law. Present your supervisor with a copy of your service papers as soon as you receive them. To be eligible for military leave, you must provide management with advance notice of your service obligations unless you are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable for you to provide such notice.

During your absence, your length of service accumulates, and your benefits will continue as required by applicable law. Provided your absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. If you are required to attend yearly Reserves or National

Guard duty, you may apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). However, if you prefer, you may use your accrued vacation time for this purpose. You should give your supervisor as much advance notice as possible so we can ensure proper coverage while you are away. Please ask management for further information about your eligibility for Military Leave.

J. TIME OFF FOR VOTING

In the event an employee does not have sufficient time outside of working hours to vote in a statewide election (i.e., the employee does not have three or more nonworking hours while the polls are open), the employee may take off sufficient working time to vote. This time should be taken at the beginning or end of the regular work schedule, whichever allows the most free time for voting and the least time off from work. An employee will be allowed a maximum of two (2) hours of voting leave on election day without loss of pay, and so long as the employee has requested time off for voting before election day.

V. WORKPLACE STANDARDS

A. GENERAL RULES OF CONDUCT

Any group of people working together must abide by certain rules of conduct. This is essential if everyone is to work together efficiently. Certain specific rules of conduct are observed by the Company and violations of these rules may lead to disciplinary action, up to and including termination. Examples of intolerable misconduct include, but are not limited to:

- Theft or embezzlement
- Falsification of Company documents
- Engaging in or provoking any act of violence or damaging Company property or the property of another
- Violation of the Company's Substance Abuse policy
- Possession of weapons of any kind in the workplace, in Company vehicles, or on Company premises, unless such prohibition is restricted by applicable law
- Malicious damage to or misuse of Company property or the property of others
- Poor performance
- Conduct violating the Company's No Harassment or Equal Employment Opportunity policies.

The Company will address violations of these rules of conduct and any other violations of Company policy on an individual basis. Pursuant to the Company's at-will employment policy, the Company reserves the right to impose whatever form of discipline it chooses, or none at all, in a particular instance. Disciplinary action may include, but is not limited to, oral or written warnings, suspension, demotion, or involuntary termination. Nothing in this Handbook should be construed as a promise of specific treatment in a given situation.

B. INTERNAL COMPLAINT PROCEDURE

LG Resources believes each employee should have an opportunity and a means to raise grievances the employee feels have not been resolved.

Listed below are three (3) successive levels at which you may voice your concerns. However, if you would like to discuss your grievance prior to formally beginning the grievance process, you may always contact Andy Akin, Human Resources, 801-973-6755, aakin@lghires.com. It is important for you to understand that nothing in this grievance procedure is intended to create an express or implied agreement that alters the employment at-will relationship that exists between the Company and you, as set forth in the section of this Handbook entitled "At-Will Employment."

The followings steps are provided to all employees for the settlement of a grievance:

- Step 1: Discuss your grievance or concern with your immediate supervisor, assuming you feel comfortable doing so. Should the results prove unsatisfactory, or if you feel you cannot discuss your concern with your immediate supervisor, take your grievance to the second step.
- Step 2: Discuss your grievance or concern with the individual who represents the second level of supervision, assuming you feel comfortable doing so. If the problem remains unresolved, or if you feel you cannot discuss your concern with the second level of supervision, proceed to the third step.
- Step 3: You may file a formal written grievance with Andy Akin, 2732 S 3600 W Ste. E Salt Lake City, UT. 84119. If you need assistance in preparing a written grievance, please contact Andy Akin, 801-973-6755.

The Human Resources Representative or his/her designated representative will typically provide you with a verbal or written response within 10 working days unless he/she determines additional time is required under the circumstances. The decision at this step is final, conclusive, and binding on all parties.

This policy does not apply to termination decisions or claims involving perceived violations of the Company's equal employment opportunity and harassment policies or any other policies in which the Company has established separate reporting procedures. Such claims should be reported immediately and in the manner set forth in the applicable Company policy, and will be addressed in accordance with the provisions of the applicable policy.

C. ATTENDANCE

The success of our Company depends upon the cooperation and commitment of each member of our team. Therefore, your attendance and punctuality are extremely important. Your fellow employees must bear the burden of your absence. Your responsibility to our Company and your fellow employees requires good attendance.

Please be at your work place and ready to work at your starting time. Give yourself enough time to make preparations to begin work prior to your starting time. However, if you are a non-exempt employee, we request you do not report to work, punch your time card, or log in on your Attendance Record more than five (5) minutes before your starting time without your supervisor's permission. We also ask that non-exempt employees not stay more than five (5) minutes after the end of your work day without your supervisor's permission. Non-exempt employees may never work off the clock.

We recognize there may be times when your absence or tardiness cannot be avoided. In that event, notify your supervisor as early as possible but at least 2 hours before your scheduled shift. You must speak with your supervisor or another management employee personally and you may not simply leave a voicemail message. Unless you have made other arrangements with your supervisor, you must call your supervisor each day of your absence.

Failure to give your supervisor notice of your absence may result in disciplinary action. If you are absent due to the illness of yourself or a family member for more than three (3) consecutive work days or have a pattern of absence, we may require you to produce a certification from your healthcare provider. If you fail to notify your supervisor of your absence for three (3) consecutive work days, you may be considered to have voluntarily terminated your employment with the Company.

A pattern of excessive or unexcused absences or tardiness may result in disciplinary action, up to and including termination.

D. TELECOMMUTING POLICY

LG Resources considers telecommuting to be a viable alternative work arrangement in cases where individual, job, and supervisor characteristics are best suited to such an arrangement. Telecommuting allows an employee to work at home, on the road, or in a satellite location for all or part of their regular workweek. Telecommuting is a voluntary work alternative that may be appropriate for some employees and some jobs. It is not an entitlement; it is not a Company-wide benefit; and it in no way changes the at-will nature of the employment or the other terms and conditions of employment with LG Resources.

Procedure

1. An employee or a supervisor may suggest telecommuting as a possible work arrangement. Employee eligibility for telecommuting is in the sole discretion of the respective department head, subject to consideration of business needs, employee job function, employee job performance and costs, if any.

2. Telecommuting can be informal, such as working from home for a short-term project or on the road during business travel, or formal, as will be described below. Other informal, short-term arrangements may be made for employees, as determined by LG Resources, to the extent practical for the employee and the Company, and with the consent of the employee's health care provider, if appropriate. All informal telecommuting arrangements are made on a case by case basis, focusing first on the business needs of the Company.

Such informal arrangements are not the focus of this policy.

3. Individuals requesting formal telecommuting arrangements must have been employed with the Company for a minimum of 12 months of continuous, regular employment and must have exhibited above average performance, in accordance with the Company's performance appraisal process.

4. Any telecommuting arrangement made will be on a trial basis for the first three (3) months, and may be discontinued, at will, at any time at the request of either the employee or the Company.

5. Employees' absence from the office must not have a significant or long-term negative impact on the functioning of other team members or work groups; meetings in the office and/or with customers are to be scheduled at the convenience of the employees working in the office or customers' convenience. Employees working from home are expected to attend in-person meetings in the office when determined necessary by the Company.

6. Telecommuting employees must work comparable hours to those while in the office, and have agreed upon times when they will be available for communication with their supervisor and/or other employees. Advance notice should be provided for work schedule variances.

7. An Office Manager will determine, with information supplied by the employee and the supervisor, the appropriate equipment needs (including hardware, software, modems, phone and data lines, facsimile equipment, or software, photocopiers, etc.) for each telecommuting arrangement on a case-by-case basis. The Office Manager will serve as resources in this matter. Equipment supplied by the Company will be maintained by the Company. Equipment supplied by the employee, if deemed appropriate by the Company, will be maintained by the employee. The Company accepts no responsibility for damage or repairs to employee-owned equipment. The Company reserves the right to make determinations as to appropriate equipment, subject to change at any time. Equipment supplied by the Company is to be used primarily for business purposes. The employee must sign an inventory of all office property and agree to take appropriate action to protect the items from damage or theft. Upon termination of the employee's arrangement of employment all Company property will be returned to the Company, unless other arrangements have been made.

8. Consistent with the Company's expectations of information asset security for employees working at the office full-time, telecommuting employees will be expected to ensure the protection of proprietary Company and customer information accessible from their home office. Steps include, but are not limited to, use of locked file cabinets, disk boxes and desks, regular password maintenance, and any other steps appropriate for the job and the environment.

9. The employee will establish an appropriate work environment within their home for work purposes. LG Resources will not be responsible for costs associated with initial setup of the employee's home office such as remodeling, furniture, or lighting, or for repairs or modifications to the home office space. Employees may be offered appropriate assistance in setting up a work station designed for safe, comfortable work.

10. After equipment has been delivered, a designated representative of the Company will visit the employee's home work site to inspect for possible work hazards and suggest modifications. Repeat inspections may occur on an as-needed basis. Injuries sustained by the employee while at home work location and arising out of and in the course of their regular work duties are normally covered by the Company's workers' compensation policy. Telecommuting employees are responsible for notifying the employer of such injuries in accordance with Company worker's compensation procedures. The employee is liable for any injuries sustained by visitors to their work site.

11. The Company will supply the employee with appropriate office supplies (pens, paper, etc.) for successful completion of job responsibilities. The Company also will reimburse the employee for all other pre-approved business-related expenses such as phone calls, shipping costs, etc., that are reasonably incurred in accordance with job responsibilities.

12. The employee and manager will agree on the number of days of telecommuting allowed each week, the work schedule the employee will customarily maintain, and the manner and frequency of communication. The employee agrees to be accessible by phone or modem as required by the employee's supervisor during the agreed upon work schedule.

13. Telecommuting employees who are not exempt from the overtime requirements of state and federal law will be required to record all hours worked in a manner designated by the Company. Telecommuting employees will be held to a higher standard of compliance than office-based employees due to the nature of the work arrangement. Hours worked in excess of those specified per day and per work week, in accordance with state and federal requirements will require the advance approval of the supervisor.

Failure to comply with this requirement will result in the immediate cessation of the telecommuting agreement.

14. Before entering into any telecommuting agreement, the employee and manager, with the assistance of Human Resources, will evaluate the suitability of such an arrangement paying particular attention to the following areas:

a. Employee Suitability: the employee and manager will assess the needs and work habits of the employee, compared to traits customarily recognized as appropriate for successful telecommuters.

b. Job Responsibilities: the employee and manager will discuss the job responsibilities and determine if the job is appropriate for a telecommuting arrangement.

c. Equipment needs, work space design considerations and scheduling issues.

d. Tax and other legal implications for the business use of the employee's home based on IRS and state and local government restrictions. Responsibility for fulfilling all obligations in this area rests solely with the employee.

15. If the employee and manager agree, and the Human Resources department concurs, a draft telecommuting agreement will be prepared and signed by all parties and a three (3) month trial period will commence.

16. Evaluation of telecommuter performance during the trial period will include daily interaction by phone and e-mail between the employee and the manager, and weekly face-to-face meetings to discuss work progress and problems. At the conclusion of the trial period, the employee and manager will each complete an evaluation of the arrangement and make recommendations for continuance or modifications.

17. Evaluation of telecommuter performance beyond the trial period will be consistent with that received by employees working at the office in both content and frequency but will focus on work output and completion of objectives rather than time-based performance.

18. An appropriate level of communication between the telecommuter and supervisor will be agreed to as part of the discussion process and will be more formal during the trial period. After conclusion of the trial period, the manager and telecommuter will communicate at a level consistent with employees working at the office or in a manner and frequency that is required by the employee's supervisor.

19. Telecommuting is NOT designed to be a replacement for appropriate child care. Although an individual employee's schedule may be modified to accommodate child care needs, the focus of the arrangement must remain on job performance and meeting business demands. Prospective telecommuters are encouraged to discuss expectations of telecommuting with family members prior to entering into a trial period.

20. Employees entering into a telecommuting agreement may be required to forfeit use of a personal office or workstation in favor of a shared arrangement to maximize Company office space needs.

21. In certain limited circumstances, the Company may contract with an office space provider to meet the needs of employees who wish to telecommute but who do not have appropriate home office space, or for groups of employees whose proximity to the Company and to each other makes such an arrangement feasible.

22. The availability of telecommuting as a flexible work arrangement for employees can be discontinued at any time at the discretion of the Company. Every effort will be made to provide 30 days notice of such a change to accommodate commuting, child care, and other problems that may arise from such a change. There may be instances, however, where no notice is possible.

E. PERSONAL APPEARANCE

Because of our relations with clients, customers, and the nature of our business, neatness and cleanliness are absolutely necessary at all times. Employees should dress conservatively, in good taste, and according to the requirements of their position. If an employee fails to dress appropriately, the employee may be asked to leave for the day or to return home, change into suitable clothing, and report back to work.

If you have any questions about the proper attire for your work area, ask your supervisor.

F. SMOKING

The Company regulates smoking on the premises for health and safety reasons and in accordance with applicable law. Smoking is prohibited in all indoor locations on Company property, including private offices. Compliance with this policy is mandatory for all employees and persons visiting the Company, with no exceptions. Employees who violate this policy are subject to disciplinary action. Any disputes involving smoking and any employees with questions should discuss their issues/concerns with Human Resources: Andy Akin at 801-973-6755 or via email at aakin@lghires.com. Employees will not be subject to retaliation for reporting violations of this policy in good faith.

G. PERSONAL VISITS, TELEPHONE CALLS, AND MAIL

Due to the nature of our business, personal visits during your work hours are discouraged. Likewise, personal telephone calls are discouraged. If you do receive any calls, we will take a message and you will be notified. Of course, if friends or relatives call or visit you in cases of emergency, we will arrange to have you relieved from work so you may speak with them. If you must make an emergency telephone call, you should obtain permission from your supervisor.

You may make personal telephone calls during your scheduled breaks on the public pay telephones. Personal mail should be directed to your home and not to the Company.

H. ELECTRONIC COMMUNICATIONS POLICY

The Company's electronic communication systems including, but not limited to, computers, internet systems, telephone, voice mail and e-mail systems are provided to employees by the Company and are intended primarily for business use. Access is intended for approved purposes. Users have no legitimate expectation of privacy in regard to system usage.

The Company may access its electronic communications systems and obtain the communications within the systems, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The Company also has the right to and may inspect or monitor without advance notice any devices employees use to access the Company's electronic communications systems, including but not limited to computers, laptops, notebooks, tablet computers or mobile devices.

The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system, preventing or investigating allegations of system abuse or misuse, assuring compliance with software copyright laws, complying with legal and regulatory requests for information, protecting proprietary information, and insuring that the Company's operations continue appropriately during an employee's absence. The Company may store electronic communications on magnetic media for a period of time after the communication is created. From time to time, magnetic media copies of communications may be deleted.

The Company's policy prohibiting all types of harassment applies to the use of the Company's electronic communications systems, including Internet access. No one may use electronic communications in a manner that may be construed by others as harassment based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other

characteristic protected by applicable federal, state or local law. No jokes on these bases should be transmitted over the Company's electronic communications systems.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

All employees, upon request, must inform management of any private access codes or passwords.

Any personal use of the Company's electronic communications systems must be limited to employees' non-work time.

No one may access, or attempt to obtain access, to another individual's electronic communications without appropriate authorization.

Employees may not install or remove software on the Company's computer systems without prior management approval. Personal computers and other electronic devices (cell phones, pdas, etc.) may not be connected directly to the Company's computer systems without prior management approval.

Violators of this Electronics Communications Policy may be subject to discipline, up to and including termination.

I. SOCIAL NETWORKING POLICY

LG Resources recognizes that Social Networking (such as personal websites, blogs, Facebook, Myspace, Twitter, online group discussions, text messaging, message boards, chat rooms, etc.) are used by many of our employees. LG Resources respects the right of our employees to maintain a blog or post a comment on social networking sites. However, LG Resources is also committed to ensuring that the use of social media serves the needs of our business by maintaining LG Resources' interests and ensuring employees focus on their job duties. Please make sure that you are aware of your obligations in this regard.

To protect LG Resources' interests and ensure employees focus on their job duties, employees must adhere to the following rules:

- Employees may not post on a blog or social networking site during their working time. Working time includes the time during which any of the employees involved are actually scheduled to work, but does not include scheduled rest periods, meal breaks and other specified times when employees are not expected to be working.
- If an employee mentions LG Resources on any social networking site and also expresses either a political opinion or an opinion regarding the Company's actions, the communication must include a disclaimer that the views expressed are those of the author and do not necessarily reflect the views of LG Resources. This is necessary to preserve the Company's goodwill in the marketplace.

- All rules regarding confidential business information apply in full to blogs and social networking sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed on a blog or social networking site.
- Any conduct which is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a social networking site. For example, posted material relating to LG Resources and its employees that is discriminatory, defamatory, libelous or threatening is not permitted. LG Resources' policies prohibiting discrimination, retaliation, and/or harassment based on any protected category as well as LG Resources' Workplace Violence policies apply equally to employee comments concerning LG Resources and its employees on social networking sites, even if done on nonworking time. Employees are encouraged to review those sections of the Handbook for further guidance.
- Employees are prohibited from misappropriating or using without permission LG Resources' corporate logo and Company intellectual property on any social networking site or other online forum for commercial purposes. Employees are reminded that there are civil and criminal penalties for posting copyrighted material without authorization.

Any employee who violates this policy may be subject to disciplinary action, up to and including termination. LG Resources reserves the right to monitor all public blogs and social networking forums for the purpose of protecting its interests and maintaining compliance with this policy. Nothing in this policy is designed to interfere with, restrain, or prevent employee communications regarding wages, hours, or other terms and conditions of employment. If you have any questions at all regarding this, please feel free to contact LG Resources.

J. BULLETIN BOARDS

Important Company notices and items of general interest are continually posted on our bulletin boards. Please review the bulletin boards frequently to keep up with current activities. Do not post or remove any material from the bulletin boards.

K. SOLICITATION AND DISTRIBUTION

At LG Resources, we believe employees should not be disturbed or disrupted in the performance of their job duties. For this reason, solicitation of any kind by one employee of another employee is prohibited while either person is on working time. Working time includes the time during which any of the employees involved are actually scheduled to work, but does not include scheduled rest periods, meal breaks and other specified times when employees are not expected to be working. Solicitation by non-employees on Company premises is prohibited at all times.

Distribution of advertising material, handbills, or printed or written literature of any kind in working areas of the Company is prohibited at all times. Distribution of literature by non-employees on Company premises is prohibited at all times.

Employees also are prohibited from engaging in solicitation and distribution to customers or working employees at any time in selling areas during the times selling is occurring in such areas.

L. SEARCHES OF COMPANY AND EMPLOYEE PROPERTY

To protect employees and the Company from theft, and to enforce Company policies including those related to substance abuse and workplace violence, the Company reserves the right to search employees and their personal property (e.g., vehicles, clothing, packages, purses, brief cases, lunch boxes, or other containers brought onto Company premises) when there is reason to believe Company policy is being violated. Employees are expected to cooperate in the conduct of such searches.

The Company provides property to employees for their use (e.g., Company vehicles, desks, file cabinets, employee lockers, etc.). Searches of Company facilities and property, including Company property in the possession of the employee, may be conducted at any time and do not have to be based upon reason to believe Company policy is being violated. Employees may not withhold permission for the Company to search Company-supplied property including desks, lockers, tool boxes, lockers, and Company vehicles.

M. CONFIDENTIALITY

As part of your responsibilities at LG Resources, you may learn of or be entrusted with sensitive information of a confidential nature. During your employment, any information, including, but not limited to, sales figures or projections; estimates; customer lists, customer purchasing habits, customer delivery preferences; computer processes, programs and codes; marketing methods, programs, or related data; tax records; or accounting procedures, will be considered and kept as the private and confidential records of the Company. These records may only be used in performing work for the Company and must not be divulged to any firm, individual, or institution except on the direct written authorization of Troy Hyde, LG Resources President. Your failure to honor this confidentiality requirement may result in disciplinary action, up to and including termination.

As a condition of your employment with the Company you may be required to enter a Confidentiality Agreement with the Company.

If you leave employment with the Company for any reason, we ask that you continue to treat as private and privileged any such sensitive information. You should not use, divulge, or communicate to any person or entity any such sensitive information without the express written approval of Troy Hyde, LG Resources President. The Company will pursue legal remedies for unauthorized use or disclosure of sensitive, confidential information.

N. CONFLICT OF INTEREST

LG Resources expects its employees to devote their full work time, energies, abilities, and attention to our business. Employees are expected to avoid situations that create an actual or potential conflict between the employee's personal interests and the interests of the Company.

Employees who, because of other work or activities, cannot make this commitment may be asked to end their employment with the Company.

A conflict of interest exists when an employee's loyalties or actions are divided between the Company and a competitor, supplier, or customer. Employees who are unsure whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss the situation with their supervisor or a member of management for clarification. Any exceptions to this policy must be approved in writing by the Human Resources Department.

Some examples of the more common conflicts that should be avoided by all employees include, but are not limited to:

1. accepting personal gifts or entertainment from competitors, customers, suppliers, or potential suppliers;
2. working for a competitor, supplier, or customer while employed by the Company;
3. engaging in self-employment in competition with the Company;
4. using proprietary or confidential Company information for personal gain or to the Company's detriment;
5. having a direct or indirect financial interest in or relationship with a competitor, customer, or supplier;
6. acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to the Company; and
7. committing the Company to give its financial or other support to any outside activity or organization without appropriate written authorization.

Failure to adhere to this policy, including failure to disclose any conflict or seek an exception to this policy, may result in disciplinary action, up to and including termination.

O. SUPPLIER-PROVIDED GIFTS

Suppliers should be chosen solely on the basis of the needs of our business. Only reputable, qualified individuals or companies should be retained as suppliers under market compensation agreements that are reasonable in relation to the services provided.

No employee of the Company may select a supplier for any reason other than such supplier's ability to fulfill the given need. To ensure compliance with this requirement, no employee of the Company may accept any goods, services or other form of compensation or favor from a supplier (or prospective supplier) for less than the supplier's cost.

The provisions of this section are not intended to apply to:

- Gifts received infrequently by employees, provided that such gifts are not in the form of cash, gift certificates or other cash equivalents, and further provided that

either: (1) the value of the items are so little in value as to make accounting for them unreasonable or administratively impracticable or less, or (2) the gifts are in the form of tickets for a single entertainment or sporting event; and

- Gifts received infrequently by a department, division, or working group, provided that such gifts are not in the form of cash, gift certificates or other cash equivalents, and further provided that the gift is suitable to being shared among members of the department, division, or working group and the value of the items are so little in value as to make accounting for them unreasonable or administratively impracticable or less.

Employees are required to report to their immediate manager any goods, services or other forms of compensation or favor received from a supplier to the extent that:

- their fair market value exceeds the values specified above;
- the employee is uncertain whether their fair market value exceeds the values specified above;
- they take the form of season tickets;
- they are in the form of cash, gift certificates or other cash equivalents regardless of their value;
- they are provided frequently, regardless of their value; or
- they are not otherwise included in the two (2) categories of exceptions listed above.

In lieu of a gift or award, management would prefer that a supplier recognize an employee by writing a letter addressed to Human Resources: 2732 S. 3600 W. Ste. E Salt Lake City, UT. 84119 or by making a donation to a charity. Employees violating this policy will be subject to disciplinary action, up to and including termination.

VI. SAFETY/SECURITY

A. SAFETY

Your safety, and that of those who work with you, is one of our greatest concerns. With an alert safety attitude, you can help eliminate painful and costly accidents. You can help by:

- keeping work areas clean and clear
- reporting hazards or unsafe conditions to your supervisor
- smoking ONLY in designated areas
- reporting all injuries, however minor, to your supervisor immediately
- walking and not running in all buildings
- keeping aisles clear
- never performing a job that you feel is unsafe. Report such situations to your supervisor immediately.

Your supervisor will inform you of any additional safety rules that apply to your particular job or work location.

B. ACCIDENTS ON COMPANY PREMISES

Any accident that occurs on Company premises, be it that of a guest or of an employee, should be reported immediately to your supervisor. For your own safety and the safety of our guests, please do not attempt to give medical aid to an injured guest or fellow employee unless you have been trained to do so. Seek the assistance of a supervisor and call 911 if warranted. In addition, please remember that only the supervisor can answer questions about the Company's liability to injured guests. Please direct those asking questions to a supervisor.

If an employee is injured on the job, he or she may be entitled to worker's compensation benefits. If you are injured while working, please report it immediately to your supervisor, no matter how minor the injury may be. Failure to timely report work place injuries or illnesses may result in a denial of workers' compensation benefits. Please see the Workers' Compensation policy for additional details.

C. PERSONAL BELONGINGS

The Company will not be responsible or liable for any personal property of an individual that is lost, stolen, or damaged. The responsibility for safeguarding, replacing, or repairing personal property lost, stolen, or damaged while on Company premises or in a Company-owned vehicle is that of the employee. Consequently, we encourage employees not to bring personal property to work.

D. VISITORS

For reasons such as the safety and security of our facilities, our employees, and the technical and confidential aspects of our business, visitors are not permitted to enter certain areas of LG Resources facilities without authorization.

If you see a person who may not have proper authorization to enter the restricted areas of the building, please notify your supervisor. Should friends or members of your family want to pay you a visit for some essential reason, they must wait in the public area until your supervisor has been notified.

E. DRIVING RECORDS

The Company is committed to ensuring employees who have driving responsibilities do not place the Company, other employees, or members of the general public at risk. In keeping with this policy, the Company requires employees with driving responsibilities to maintain safe driving records as a condition of employment and continued employment. Individuals who fail to maintain such driving records may become unsuitable for their positions. In such cases, the Company reserves the right to discipline or terminate employees with driving responsibilities whose driving records become unsatisfactory.

An applicant or employee will be considered to have an unsatisfactory driving record if the driving record indicates one (1) or more moving violations. An applicant or employee will be considered to have an unsatisfactory driving record if the Company's and/or the applicant's or employee's insurance carrier(s) refuses to continue to insure the applicant or employee, or agrees to continue to insure the applicant or employees only for an increased premium.

To verify an individual's driving status, the Company may require employees or job applicants to furnish all or portions of their driving record from the Department of Motor Vehicles or may ask them to sign any necessary authorizations to request records directly from the Department of Motor Vehicles. Subject to any limitations imposed by state and federal law, individuals must cooperate fully with any request for records or request for an authorization to seek such records from an appropriate agency or entity.

F. PROOF OF INSURANCE

Employees with driving responsibilities must provide proof of insurance and a Certificate of Liability providing the insurance carrier will notify the Company if there is any modification to the employee's insurance coverage, including, but not limited to, cancellation of coverage. Employees who fail to comply with this requirement will be subject to disciplinary action, up to and including termination.

G. DRIVING FOR COMPANY BUSINESS

From time to time, you may be required to drive as part of your job. For your own safety and the safety of others, if you are asked to drive on Company business, the Company requires that you have a valid and current driver's license and that you carry legally-mandated automobile insurance. Prior to beginning any business-related travel, you must notify your supervisor if you do not have a valid and current driver's license or automobile insurance so that your supervisor can make other travel arrangements. This policy does not apply to your regular commute to work.

H. NOTICE OF SUSPENSION OR REVOCATION OF LICENSE OR CANCELLATION OR MODIFICATION OF LIABILITY INSURANCE

Any employee whose duties include driving has a significant responsibility to the Company and the general public to operate any motor vehicle in a safe and appropriate manner that conforms with all applicable traffic and safety laws. The employee also must at all times maintain the levels of liability insurance required by law. The Company, in turn, has responsibilities to employees, the general public and its insurance carrier with respect to employees whose duties include driving.

To fulfill these responsibilities, the Company requires employees with driving responsibilities to inform the supervisor at their facility within 24 hours if the employee's driver's license has been suspended or revoked or if the employee's liability insurance has been canceled or modified in any manner. Employees who fail to comply with this requirement will be subject to disciplinary action, up to and including termination.

I. USE OF CELLULAR PHONES AND HAND-HELD RADIOS WHILE OPERATING A VEHICLE

Cell phones (including hand-held radios) and moving vehicles can be a dangerous mix. A national study found drivers were four (4) times as likely to be involved in an accident while using their cell phones. Whether employees use a cell phone provided by the Company or their

own cell phone for work-related calls, it is important for employees to know and understand our policy on cell phone use while driving a vehicle.

The Company is committed to promoting roadway safety and to minimizing risk to the well-being of our employees by encouraging the safe use of cellular telephones by our employees while they are on company business. While the Company recognizes there often is a business need to use cellular phones, safety must be a priority.

Employees must use a “hands free” device when using a cell phone while operating a motor vehicle for work. Employees should be aware that studies have found that hands-free units do not offer a safety advantage over hand-held units because driver concentration remains compromised. Even when using “hands free” technology, an employee who needs to make a cell phone call while driving, should if practicable, find a proper parking space or designated “pull off” area first. Stopping on the shoulder of the road is not acceptable except in the case of a genuine unexpected emergency.

If stopping and pulling off the road is not practicable, the employee must exercise caution and care when using the cell phone. The employee is prohibited from any other activity, such as reading and/or writing, while participating in a cell phone conversation and while driving a vehicle. If an in-coming call occurs while the employee is driving, and it is practicable to do so, the employee should answer the phone with care and caution and if possible, return the call when not operating a vehicle. If it is not practicable to answer the phone, under the circumstances (e.g., poor visibility due to weather, heavy traffic), do not answer the phone. Rather, allow the call to go into voicemail. You should then find a parking space or pull-off area as noted above, check voicemail, and return the call if necessary.

Texting or email while driving is prohibited at all times.

Employees who violate applicable laws may be subject to a fine. The Company will not reimburse any employee for any fine imposed as a result of violating these laws.

J. OFF-DUTY ACCESS

Employees are not permitted to enter the areas of our facilities which are not open to the general public at any time when they are not scheduled to work.

VII. IF YOU LEAVE US

We anticipate that your association with LG Resources will be pleasant. However, should you find it necessary to leave us, we ask that you provide your supervisor with as much advance notice of your departure as you can. Your thoughtfulness will be appreciated.

All Company property including, but not limited to, keys, credit cards, security cards, computer disks, tools, and manuals must be returned to the Company on the last day of employment or as otherwise requested by the Company.

VIII. A FEW CLOSING WORDS

This Handbook is intended to give you a broad summary of things to know about LG Resources. The information in this Handbook is general in nature and, should questions arise, your supervisor should be consulted for complete details. While we intend to continue the policies, rules, and benefits described in this Handbook, the Company may always modify or vary from the matters set forth in this Handbook at its discretion except for the right of the parties to terminate employment at will, which may only be modified by an express written agreement signed by both parties. Please do not hesitate to speak to your supervisor or Human Resources if you have any questions.

Again, welcome to LG Resources!

IX. EMPLOYEE ACKNOWLEDGEMENT

I understand that my employment with LG Resources is for an unspecified term and may be terminated at the will of either the Company or myself, with or without reason or cause, and with or without notice. No words or actions of the Company will be deemed to create an express or implied contract of employment or require the Company to have good cause for terminating my employment. No Company representative is empowered or authorized to modify this at-will relationship, on an individual or collective basis, other than Andy Akin, Human Resources VP.

I acknowledge I have received a copy of the LG Resources' Employee Handbook. I understand I am responsible for reading the contents of the Employee Handbook, and for complying with the policies and rules outlined therein. I further acknowledge that I have read the Employee Handbook in its entirety in accordance with this responsibility.

I understand that while employed by LG Resources, I must comply with all Company policies and rules except as otherwise provided and/or prohibited under federal and/or state law. I further understand that any rules, policies, and benefits described in the Employee Handbook may be modified or varied from by the Company at anytime—except as required by law and except for the rights of the parties to terminate employment at will (which may be modified, on an individual or collective basis, only by an express written agreement signed by Andy Akin, Human Resources VP of the Company).

Date

Employee Name

Employee Signature

(Return to your Supervisor)

X. ACKNOWLEDGMENT OF RECEIPT OF LG RESOURCES' NO HARASSMENT POLICY

I acknowledge I have received a copy of LG Resources' No Harassment Policy (the "Policy"). I have read the Policy, understand it and agree to follow it. I understand any employee who engages in conduct prohibited by the Policy will be subject to disciplinary action, up to and including termination.

I understand it is my obligation to refrain from engaging in conduct in violation of the Policy and also to report conduct which I believe violates the policy to enable the Company to take action as appropriate.

Date

Employee Name

Employee Signature

(Return to your Supervisor)

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