

Welcome!

GUARDTEXAS, INC.

Employee Handbook

With the exception of any written agreements between an employee and GuardTexas executed by the President, this Employee Handbook and the policies and procedures contained herein supersede any and all prior handbooks or policies regarding the terms and conditions of your employment with GuardTexas. Except for the provisions contained in the Dispute Resolution, Arbitration and Mutual Waiver of Jury Trial section of this Employee Handbook, the Company reserves the right to update policies and information contained in this Employee Handbook, with or without notice.



2016

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Welcome!

GuardTexas (hereinafter referred to as “GTX” or “the Company”) is celebrating over 40 years of service to our clients throughout Texas. We are privately owned, deploying over 800 employees and over 65 vehicles through our Branches in Austin, Bryan, Dallas, San Antonio and Houston. We are proud to employ both armed and unarmed Security Officers and Patrol Officers for both permanent and temporary positions serving our clients 365 days a year.

YOU are the heart of our business! We are glad you are here and hope your career with us is a long and enjoyable one. We could not provide the experience, resolve, expertise, and personal attention that are our business promise without our core teams of dedicated officers. Whether you have just joined our staff or have been at GuardTexas for a while, we are confident that you will find our company a dynamic and rewarding place in which to work, and we look forward to a productive and successful association.

This handbook is intended to provide you with a summary of the policies, benefits, and guidelines for working at GuardTexas. It contains general information to serve as a guide to our working relationship. It is not intended to be comprehensive, nor to address all the possible applications of, or exceptions to, the general policies and procedures described. For that reason, if you have any questions concerning eligibility for a particular benefit or the applicability of a policy or practice to you, you should address your specific questions to the Human Resources department at the Corporate Office.

Absent a written agreement executed by the President of the Company, employees have no guarantee of continued employment with the Company. Absent a written agreement executed by the President of the Company, your employment is considered “at-will”, not for any specific time. That means it may be terminated at will with or without cause and without prior notice by the Company, or you may resign for any reason at any time. No supervisor or other representative of the Company (except the President) has the authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the above.

The standards of conduct and disciplinary guidelines set forth in this handbook do not modify your at-will employment by the Company. The standards of conduct and disciplinary guidelines set forth in this handbook are intended to describe norms of conduct that are expected of you and are not a guaranty of continued employment, even if the standards of conduct set forth in this handbook are met.

This handbook and the information in it should be treated as confidential. Some subjects described in this handbook are covered in detail in official policy documents. Refer to these documents for specific information because the handbook only briefly summarizes those guidelines and benefits. Please note that the terms of the written policies are controlling and override any statements made in this or other documents.

In the event any contradiction arises between the policies and information contained in this handbook and specific federal, state, or local laws or requirements, the latter will govern in all cases.

Except for the provisions contained in the Dispute Resolution, Arbitration and Mutual Waiver of Jury Trial section of this handbook, the procedures, practices, policies and benefits described herein may be modified or discontinued from time to time. Your Branch Manager will be informed of any changes as they occur and should share those with you in most cases.

Welcome!

Our Vision

- ◆ *We combine human contact with innovation*

Our Mission

- ◆ *Be Smart* ◆ *Be Honest* ◆ *Be of Service*

Our Values

- ◆ *Integrity: We do what we say*
- ◆ *Respect: We treat others the way we want to be treated*
- ◆ *Adaptation: We are flexible to meet the demands of a changing environment*
- ◆ *Prosperity: We provide for mutual growth & success*

Our Officers

- ◆ *We employ professional security officers*

Our core values are the guidelines by which we manage the Company. We are a service oriented business. Our clients expect us to be there when we say we will, and to provide high quality service. Due to the nature of our business, we must be flexible to meet changing business needs. **Your first sixty (60) days of employment are considered an Introductory Period.** Your immediate supervisor will evaluate your performance during your first weeks of employment with us. Upon successful completion of this Introductory Period, your employment will continue on an at-will basis and the Company will continue to require you to perform your job consistent with expected standards.

Below are the minimum performance standards to be successful with the Company. You must meet and maintain these standards to continue employment with GuardTexas. Direct questions to Human Resources about anything you do not fully understand.

Integrity: An Officer does what they say they will do

Maintain good grooming standards in accordance with the uniform policy so that you present an image of authority

Arrive at your post ready to work, wearing a clean and pressed uniform with your name badge and pocket card

Be on time for work, every time. If you are going to be late or absent, contact your immediate supervisor personally **at least** four (4) hours before your shift starts to allow us time to cover the shift

Perform duties in accordance with the defined post orders

Our job is to keep our clients and their property safe. Stay awake and alert. Sleeping on the job is a violation of our client's trust

Maintaining a current license registration with the Private Security Bureau is your responsibility and is a condition of employment with GTX

Notify your immediate supervisor of any arrests and/or convictions, and of driving violations if you are driving one of our patrol vehicles

Read and understand the rules and policies outlined in the Employee Handbook

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Respect: An Officer treats everyone the way they would like to be treated

Be courteous and smile (for example, open doors for others and pick up any trash you see as you tour the property)

Treat others fairly and with respect

Treat the equipment you are issued by the Company as valuable property

Avoid arguments, fighting, or treating anyone in a manner they could find offensive

Adaptability: An Officer is flexible to meet the demands of a changing environment

You may be assigned to a different post during your employment in order to meet the needs of our business and our client

Perform your duties in such a way to be of service to the Client

Complete additional training courses as required by your immediate supervisor to help you become a better Officer

You will encounter stressful situations as a Security Officer and are expected to stay calm under pressure

Look for ways to improve the post and offer suggestions for changes

While we recognize that you have personal responsibilities, it is important that you are as flexible as possible in scheduling and post assignments

Do not eat or smoke at your post

Do not have anyone visit you at your post

Prosperity: An Officer manages their personal business well to provide for our mutual success

Manage your time and workload effectively

We are committed to paying you accurately and on time. Check your pay stub for accuracy and notify your immediate supervisor immediately if there are issues

Help us to reduce costs by working safely

If you are assigned to a patrol vehicle, drive safely and defensively

General Job Standards

Attendance

Your regular attendance is important and you are expected to be at work when you are scheduled. Absenteeism, tardiness, and early departures place a burden on other employees and our clients who have contracted for our services for specific time periods. We require a **minimum 4 hour notice** if you are going to be late or absent so that we can arrange to cover your shift. **You must contact your immediate supervisor personally** so that we have time to arrange a replacement for your shift and meet our obligation to our client. Failure to contact your immediate supervisor prior to the start of your shift will be considered an unexcused late start or absence.

Pre-Arranged Absence: If you know you will have to miss work, you are required to notify your immediate supervisor as far in advance as possible to obtain approval and so that we may make other arrangements to cover your shift assignment and maintain our client support.

Call-Offs: Leaving messages for your immediate supervisor notifying him/her that you will be absent is never acceptable. Similarly, having someone else call for you is generally unacceptable. Your immediate supervisor may have questions about your assignment that only you can answer. The only time it is acceptable for someone else to call for you is if there is an extreme emergency and you are physically unable to call. These occasions should be rare and must be verified.

Emergencies: If you have an emergency that will prevent you from working, such as an accident or a death in the family, notify your immediate supervisor as soon as you possibly can by phone.

Unexcused Absences and Excessive Tardiness: Failure to show up for work or to show up consistently late is unprofessional and creates a negative image of the Company and you with our clients.

Failure to Call or Show for Work: Failing to show up for work without notifying your immediate supervisor is unacceptable and may be considered an immediate resignation from employment with GTX. We reserve the right to make exceptions at the sole discretion of management based on a totality of circumstances.

Refer to the Counseling Matrix below for levels of counseling related to attendance issues.

Confidential Information

While on assignment, you may have access to or overhear information regarding clients, their employees, GTX employees and/or others. Do not disclose confidential financial data, or other non-public proprietary company information acquired in the course of your work. Do not share confidential information regarding partners, vendors, or customers. Misuse or unauthorized disclosure of confidential information not otherwise available to persons or firms outside of GTX or our client(s) is cause for disciplinary action, up to and including termination.

Nothing contained in this policy is intended to restrict an employee's rights under the National Labor Relations Act, including without limitation the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid and protection.

Training

Generally, if your job requires specialized skills, GTX will provide training at the Company's expense. Training programs may be scheduled during regular work hours or at a time convenient to both you and the Company. You will be paid for the time you spend completing required training.

If you choose to complete special training as a way to improve your job performance or enhance your skills, the Company may pay a portion of the cost at its sole discretion. In order to be eligible for compensation for voluntary training, you must obtain approval in advance and provide proof of successful completion. The Branch Manager will determine any reimbursement amount covered based on the average costs of similar programs. Voluntary training

programs may not interfere with your regularly scheduled work hours and are not considered time worked. We do not pay for the time spent in voluntary training classes.

Workers Compensation and Patrol Accidents

On-the-job accidents are costly, not just to the Company but also to you. Follow accepted safety precautions, use caution and common sense. GTX pays the cost of insurance designed to cover the cost of all medical expenses, a portion of lost wages, and vehicle liability in the event of an on-the-job accident. If you are injured on the job or involved in an accident, no matter how minor, notify your immediate supervisor immediately and complete a *Job Related Injury Report Form*. If you fail to report your accident immediately, your immediate supervisor cannot properly document the claim and notify our insurance carrier. The carrier could then deny available coverage to you and/or the Company.

Exiting the Company

If you choose to leave us or you are discharged for any reason, the following will apply:

Pay at Termination of Employment: If you leave the Company voluntarily, you will receive your last paycheck on the next regular pay date. If you are discharged by the Company for any reason other than failure to show for work (considered a voluntary resignation), your final paycheck will be sent to the Branch Manager within six (6) days of your discharge.

Uniforms: All badges, patches, and shirts must be returned to the Company immediately upon separation from employment, or no later than the seventh (7th) day after termination of employment, pursuant to PSB Rule §422.03. Failure to comply could result in notification to the Private Security Bureau and possible suspension of your security registration.

W-2 Forms: Upon termination of employment for any reason, it is your responsibility to provide us with a forwarding address or the permanent address of a friend or relative so that your W-2 Income Tax Form and other pertinent information may be sent to you in a timely manner. Failure to notify us of changes in address can result in delays in receiving tax documentation.

Use of Client Property

You may be assigned to a job that allows access to a telephone or cell phone, computers, monitors, or other equipment and it is to be used **ONLY** for business purposes or as required by the post orders. Do not use the client phone for personal phone calls of any kind and do not issue the number to any third party or allow the number to be given out for any non-official purpose. Inappropriate use of client equipment may be grounds for disciplinary action, up to and including termination of employment. You may also be liable for any related costs for unauthorized use of equipment, such as toll charges.

Electronic Communications

The Company provides personal computers, email, Internet, Intranet, telephones, voicemail, fax, pagers, etc. to employees at the Company's expense, in order to access worldwide information for the benefits of the Company and its customers. Every employee is responsible for maintaining and enhancing the Company's image and using these tools in a productive manner. The following guidelines are established, toward meeting this purpose.

Acceptable Uses

The Company electronic communications systems are part of the business technology platform and are primarily intended to be used for business purposes. Limited use of these systems for personal purposes is allowed; provided, however, the use of the Company's technical resources must not interfere with your productivity, the productivity of any other employee, or the operation of the Company's technical resources.

Unacceptable Uses

These systems are not to be used for personal gain or the advancement of individual views. All messages must be communicated using your name and not an assumed name. The Company forbids the storage, transmission or viewing of "adult materials" on any company system or in any other form, whether done on the Company premises or using the Company's equipment. Creation, viewing, sending or forwarding of text, voice, or graphic messages which are intimidating, harassing, offensive, profane, or hostile on the basis of race, gender, color, national origin, religion, disability, age or any other protected status is also prohibited. Employees may not play games on the Company's computers and other technical resources during work time.

Engaging in an unacceptable use of the Company's systems will result in disciplinary action, up to and including immediate discharge from employment without prior warning.

Security Issues

All messages created, sent or retrieved on the Company's systems are the property of the Company. Employees do not have a right or expectation of privacy in any matter that is maintained, stored, created, sent or retrieved on the Company's systems. The Company reserves the right to monitor these systems and access any message, in order to assure superior service to our customers and to enforce its policies. You must provide your password(s) and encryption keys to the Company, as your mailbox may need to be accessed in your absence. You must not, however, disclose your password, encryption keys, messages or other information gained via the Company's systems to unauthorized personnel. All employees should safeguard the Company's confidential information, as well as that of customers and others, from disclosure. Do not access any new voicemail or email messages with others present. Messages containing confidential information should not be left visible while you are away from your work area. The System Administrator, to minimize the introduction of viruses into the Company's systems, must approve all downloading of software.

Copyright Issues

Copyrighted materials, including but not limited to software, belonging to entities other than the Company may not be copied or transmitted on the Internet or via email or by another means. Failure to observe copyright or license agreements may result in disciplinary action by the Company, legal action by the copyright or license owner, or both.

Terminable Offenses

Some behavior problems are so serious that they lead to termination for the first offense. This list is not all inclusive but is intended to provide examples of the most common types of behavior that can and will lead to immediate termination of employment. These include but are not limited to the issues below.

- Our clients place a high level of trust in our security services. Officers are paid to remain alert for any risk while on post. Sleeping while on duty is a serious violation of our client's trust and will be grounds for immediate dismissal.
- Dishonesty of any kind is a violation of our fundamental value of INTEGRITY. Falsification of reports to cover or abet a known or suspected crime, distorting facts in a report to present a false representation of an event on post, and deliberate falsification of timekeeping records are grounds for immediate dismissal.
- Drinking on duty or arriving at work under the influence of drugs or alcohol will result in the Officer being relieved of duty and sent immediately to the nearest facility for a drug and/or alcohol test. We also randomly drug test 15% of our Commissioned officers each pay cycle as required by the Private Security Bureau. Failure to report, refusing to report, and/or a positive test result will result in dismissal.
- Failing to comply with a verbal or written order given by an individual in a superior position, such as a site supervisor or manager. These individuals have been delegated authority to ensure that their responsibilities are executed properly. Unless an order is a violation of a written Company Policy, a violation of state, local or federal law, or causes direct harm to others, it is to be followed. The Officer will be relieved of duty pending investigation by the Operations or Branch Manager. Verifiable instances of insubordination are grounds for immediate dismissal.

- Fighting, assault, using provoking language such as racial slurs, making threatening comments or gestures, or harassment or bullying as defined in our policy violates the most basic value of respect. Such behavior will be investigated. Verifiable instances are grounds for immediate dismissal.

Counseling Matrix

We believe that our Officers intend to do their jobs well and that they deserve to be treated with respect and fairness when they fall short of expectations. The matrix below defines the minimum counseling for job related issues.

Emergencies do occur and must be handled with common sense. If the immediate supervisor sees a trend developing of short notice call-offs due to emergency situation, he/she must bring it to the Officer's attention. Suspected abuse of sickness excuses due to multiple call-off events may require a doctor's note.

This counseling matrix provides guidelines to ensure consistency in handling common performance problems and to establish a counseling process so that employees may correct problems before they become critical. Generally, most discipline problems can be resolved in the early stages. However, in certain instances, the counseling matrix (*i.e.*, progressive discipline) is not appropriate. **In those instances, and at its sole discretion, the Company may find it necessary to impose immediate disciplinary action, up to and including termination of employment, without prior notice or counseling.** The Company is an at-will employer and, in the absence of a written agreement executed by the President of the Company to the contrary, reserves the right to discharge any employee at any time, with or without cause, with or without past records of counseling or discipline. In the absence of a written agreement executed by the President of the Company to the contrary, an employee also has the right to terminate his/her employment at will.

Issue	First Offense	Second Offense	Third Offense
Call off with less than 4 hours' notice	Verbal counseling	Written counseling	Termination
Late to work	Verbal counseling	Written counseling	Termination
No Call/ No Show	Written counseling, possibly termination	Termination	
Short notice call off for situations beyond the officer's control (auto emergency, family emergency or sudden illness)	Verbal counseling and given an opportunity to explain the reason	Written counseling	Termination
Failure to obey post orders, minor infractions not related to safety	Verbal counseling and possibly retraining	Written counseling	Termination
Failure to obey post orders, major infraction related to safety	Written counseling retraining	Termination	
Leaving post without permission; all reasonable attempts must be made to contact supervisor prior to leaving	Verbal counseling	Written Counseling	Termination
Uniform and/or grooming do not meet GTX standards; failure to appear for work in uniform requires written counseling for first offense	Verbal counseling	Written counseling	Termination
Improper conduct, such as using client property without permission, (Officer will be held responsible for any charges for use of Client equipment)	Verbal counseling	Written counseling	Termination
Damage to or loss of Company or Client property	Written counseling and possible charges for damage up to \$200	Termination	

Media Contacts

Events may occur at your worksite that draw the attention of the news media. It is imperative that one person speaks for the Company to deliver an appropriate message and to avoid giving misinformation in any media inquiry. We will respond to the news media in a timely and professional manner ONLY through spokespersons designated by the Company's Corporate office. While reporters may visit your work location from time to time, good reporters will identify themselves prior to asking questions. Every employee is expected to answer all media/reporter questions for GTX: "I don't have the information you want. Let me have our public affairs department contact you." Take their card and let your immediate supervisor know immediately.

Use of Social Media

While the Company encourages its employees to enjoy and make good use of their off-duty time, certain activities on the part of employees may become a problem if they have the effect of impairing the work of any employee; harassing, demeaning, or creating a hostile work environment for any employee; disrupting the smooth and orderly flow of work within the Company; or harming the goodwill and reputation of the Company among its clients or in the community at large. In the area of social media (print, broadcast, digital, and online), employees may use such media in any way they choose during non-working hours as long as such use does not produce the adverse consequences noted above. For this reason, the Company reminds its employees that the following guidelines apply in their off-duty use of social media:

1. Employees are strictly prohibited from publishing any personal information about themselves, another employee of the Company or a client in any public medium (print, broadcast, digital, or online) that:
 - a. has the potential or effect of involving the employee, their co-workers, or the Company in any kind of dispute or conflict with other employees or third parties;
 - b. interferes with the work of any employee;
 - c. creates a harassing, demeaning, or hostile working environment for any employee;
 - d. disrupts the smooth and orderly flow of work within the office, or the delivery of services to the Company's clients;
 - e. harms the goodwill and reputation of the Company among its clients or the community at large;
 - f. tends to place in doubt the reliability, trustworthiness, or sound judgment of the person who is the subject of the information; or
 - g. reveals proprietary information or the Company's trade secrets.
2. Should an employee decide to create a personal blog, be sure to provide a clear disclaimer that the views expressed in the blog are the author's alone, and do not represent the views of the Company.
3. All information published on any employee blog should comply with the Company's Confidentiality and Proprietary Information policy contained herein. This also applies to comments posted on other social networking sites, blogs and forums.
4. Do not discuss the Company's clients, partners, pricing or finances without the Company's express written consent to do so.
5. Do not use any the Company's logos or trademarks without prior written consent of the Company.
6. Do not make any unauthorized references of any kind for any former employees of the Company on social media sites.

An employee who violates this policy will be subject to disciplinary action, up to and including termination of employment. The absence of explicit reference to a particular site does not limit the extent of the application of this policy. If no policy or guideline exists, the Company's employees should use their professional judgment and follow the most prudent course of action. If an employee is uncertain, consult Human Resources before

proceeding. Nothing contained in the Company's Use of Social Media policy is intended to restrict an employee's rights under the National Labor Relations Act, including without limitation the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid and protection.

General Information about Hours Worked

Our "workweek" starts at midnight and runs from Friday to Thursday. Under no circumstances may an employee record time worked by another employee by calling the 800# or by recording time on his/her time sheet. Such an offense will be grounds for immediate disciplinary action, up to and including termination. No employee is permitted to work "off the clock" or to "volunteer" his or her time without being paid. It is the Company's policy and practice that all employees shall be paid for all working time.

Reporting Your Hours Worked

All officers are required to report when they arrive and when they leave their job site by calling **1-877-732-9088**. This is our timekeeping system and your call will be considered "punching" in and out as if it were a timecard.

Overtime

Non-exempt employees are subject to overtime payments for all hours worked over 40 per work week. Hours paid but not worked, such as holiday and vacation, are never calculated as part of the 40 hour overtime requirement. Overtime is calculated at a rate of 1 ½ times the hourly base rate. Non-exempt employees must have advance authorization from their supervisor before working any overtime.

Exempt employees are paid a guaranteed set salary each pay period and are expected to be flexible in their scheduling based on the needs of the job. GTX prohibits deductions from exempt employees salary except as allowed by the FLSA. If an employee is aware of an improper deduction from his or her salary, this violation should be reported immediately to their supervisor. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made and steps will be taken to ensure future compliance.

Administrative Employee Time Sheets

Non-exempt employees are required to maintain a timecard of their actual time worked for each pay period. This can be used to compare to your paycheck to ensure accuracy. Timesheets must be turned into your immediate supervisor each Friday to be forwarded to Corporate Payroll for processing.

Pay Schedules

Hourly Employees: Hours worked are reported to Corporate Payroll at the end of each pay period. Check processing takes one week, which means that checks are issued one week after the end of the pay period when the hours were actually worked. New employees are included in the current pay cycle. The first check may take up to three weeks depending on where the start date falls in the pay cycle. Thereafter all checks will be issued every week. Below is an example chart of the pay cycle (X=hours worked):

FR	SA	SU	MO	TU	WE	TH
<u>Beginning of Pay cycle</u>	X	X	X	X		X <u>End of pay cycle</u>
<u>Hours transmitted</u> <u>New pay cycle begins</u>	Office closed		Payroll Processing & Checks Printing			Checks put in envelopes at branch
<u>Pay Check Received</u>						

Salaried Employees: Salaried employees are paid twice a month (semi-monthly), on the 15th and the last day of the month, and are paid current.

Pay Day

Paydays are scheduled every other Friday throughout the year, providing for 52 paychecks per year for weekly paid employees and 24 paychecks per year for semi-monthly paid employees. If you want someone else to pick up your check for you, you must provide written authorization. We will not release your paycheck to anyone else without your written consent. GTX has a secure website (eHub) in place which will allow you to access your paystub, check history, including gross wages, compensations/ deductions and net pay. Access is available with an internet connection.

Notify your immediate supervisor immediately if there is an error in your paycheck so that we may investigate the claim and make any appropriate adjustment(s). If there is an error, we may reissue the paycheck or make corrections on the following paycheck for overpayments.

Payroll Deductions

All paychecks are subject to applicable federal, state, local, Social Security (FICA) and any other taxes levied by the government. Other deductions that you will be required to authorize include uniform costs/deposits, and education and state fees required by the Texas Private Security Board.

It is GTX' policy to comply with the salary requirements of the FLSA and any applicable wage and hour laws. Therefore, GTX prohibits all its managers or supervisors from making any improper deductions from the salaries of exempt employees. GTX wants employees to be aware of this policy and that GTX does not allow deductions that violate the FLSA or state law.

If an exempt employee believes that an improper deduction has been made to his/her salary, he/she should immediately report this information to his/her supervisor. Reports of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, the employee will be promptly reimbursed for any improper deduction made and steps will be taken to ensure future compliance.

Pay Rates for Officers

You were hired at a specified rate of pay. However, you may be paid at different rates depending on where you are assigned based on the contract we have in place for the client. Note that under no circumstances will any employee be paid less than the current federal minimum wage rate for any job. It is your responsibility to ask about the pay rate of each job.

Examples:

An employee whose regular rate is \$7.25 is assigned to a job with a minimum rate of \$7.50 and a maximum rate of \$8.50. This employee would be paid \$7.50 per hour because that is the minimum rate for that job provided by the client.

An employee whose regular rate is \$8.50 per hour is assigned to a job that has a minimum rate of \$7.25 per hour and a maximum rate of \$8.00. This employee will be paid \$8.00 per hour because that is the maximum rate for that job and the most that our client has agreed to pay.

The type of work you do, how well you perform the required functions of the job, client recommendations and company discretion determines the wages you will earn at GTX. Evaluations will be done periodically by your immediate supervisor and will be discussed with you along with suggestions for development or improvement. You should be provided informal feedback on your job performance throughout the year.

Direct Deposit

Direct Deposit of your paycheck is available immediately upon hire and is required as a condition of employment. You may sign up for direct deposit with the bank of your choice. You must submit a GTX form to authorize us to deposit your paycheck to your bank, along with either a voided check or a form completed by your bank with the routing and account numbers.

It is your responsibility to ensure that you keep your direct deposit information up to date. If you change banks, you must complete a document to STOP the old account and another document to START the new account. Failure to submit changes prior to the account closing could result in your paycheck being deposited to the wrong bank. In those cases, you will be responsible for contacting the bank to correct the deposit.

It can take up to four (4) weeks for your funds to be direct deposited due to administrative requirements. Please plan accordingly.

Open Door Policy

We have adopted an Open Door Policy for all employees and value your input. This means that every manager's door is open to every employee. The purpose of our open door policy is to encourage open communication, feedback, and discussion about any matter of importance to you. Our open door policy means that you are free to talk with any manager at any time.

If any area of your work is causing you concern, you have the responsibility to address your concern with a manager. Whether you have a problem, a complaint, a suggestion, or an observation, your company managers want to hear from you. By listening to you, the Company is able to improve, to address complaints, and to foster employee understanding of the rationale for practices, processes, and decisions. By helping to solve problems, managers benefit by gaining valuable insight into possible problems with existing methods, procedures, and approaches. While there may not be an easy answer or solution to every concern, you have the opportunity to be heard through the open door policy. Not every complaint can be resolved to everyone's satisfaction.

Before You Pursue the Open Door Policy:

Most problems can and should be solved in discussion with your immediate supervisor; this is encouraged as your first effort to solve a problem. But, an open door policy means that you may also discuss your issues and concerns with your Branch Manager and/or Human Resources staff members at any time. If, at any time, you believe your complaint is not being or has not been adequately addressed, you should elevate your complaint to the President of the Company in writing describing the nature and date of your original complaint and what you remain dissatisfied with.

Complaint Procedure

We hope that you can resolve your issue locally by talking openly and honestly with your immediate supervisor or Branch Manager. We are committed to correcting any condition or situation affecting your employment relationship that may cause unfairness or misunderstandings. However, we understand that sometimes that is not possible, and have put this Complaint Procedure in place.

1. If you have a problem or complaint concerning wages, hours, working conditions, fair treatment, or other work-related matters, your best option for resolution is to discuss your concern with your immediate supervisor and/or the Branch Manager. Your immediate supervisor and Branch Manager will discuss your concern with you and seek to either resolve the issue or help you understand their stance. Remember, even if you think your immediate supervisor should be aware of the problem, it may not be resolved until you take the appropriate steps.
2. There may be times when the nature of a particular problem is such that you do not feel you can discuss it with your immediate supervisor or Branch Manager. Contact Human Resources in the Corporate Office at 877-280-1385. Human Resources is available to assist on any complaint, problem or concern, and investigate when necessary. You can also raise any concerns you may have by e-mailing HR@guardtexas.com

Investigations

An employee may be placed on an investigatory leave, with or without notice, to permit the Company to review or investigate actions, including, but not limited to dishonesty, theft or misappropriation of company funds and/or property, violence on the job, gross safety negligence or acts endangering others, insubordination or any other

conduct which warrants removing the employee from the work site. The leave shall be confirmed in writing, stating the reason and the expected duration of the leave.

We encourage employees to submit good faith complaints in accordance with our Open Door Policy. All employees are expected to fully participate in any Company investigation. You are expected to be truthful and cooperative in investigations of complaints.

Statement of No Retaliation Policy

There will be no retaliation against any employee for making a good-faith complaint under any of our Company policies, or for participating in any investigation conducted pursuant to this policy. No one may criticize you, penalize you, or treat you differently in any way for using this problem solving procedure. If you believe you are being retaliated against as a result of your good-faith complaint of a violation of any of our policies, you should report your concerns to your immediate supervisor, Branch Manager, or Corporate Human Resources.

Any supervisory employee who retaliates against any employee for making a good faith complaint will be subject to disciplinary action, up to and including termination of employment. GuardTexas does not tolerate retaliatory behavior from its employees, especially those employed in a supervisory capacity.

Code of Conduct

At GTX, our goal is to maintain a working environment that encourages mutual respect, promotes civil and congenial relationships among employees and is free from all forms of harassment and violence. Each employee is expected to work in a cooperative manner with management/supervisors, coworkers, customers, vendors, and guests. **Employees are expected to observe all GTX policies, procedures and rules of conduct, including but not limited to all policies set forth in the handbook and to fully cooperate in any investigation that the Company may undertake.**

Violation of any of the Company's policies, procedures and/or rules may result in disciplinary action, up to and including termination of employment. In deciding what action should be imposed for violations, the Company will take into account all of the circumstances involved, as well as the employee's overall work record. The type of disciplinary action that may be imposed will vary depending on the particular circumstances of the situation. Nothing in this handbook creates an obligation to follow any particular disciplinary procedure. Management has the right to skip or repeat certain disciplinary steps depending on the particular facts of each situation.

Employees have the right to work without intimidation or undue interference from other employees.

The Company expects a congenial work environment of respect and professionalism. Therefore, the Company prohibits employees from harming or threatening to harm other employees, clients, vendors, visitors or property belonging to any of these parties.

Examples of Prohibited Conduct (List is not all-inclusive, and may be amended at the discretion of the Company)

- Bringing onto Company or client property, or being in possession of any of the following on Company or client property:
 - Unauthorized weapons or firearms
 - Illegal drugs or other intoxicants
- Unlawful harassment and bullying. Physical abuse, including but not limited to pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person's work area or property.
- Threatening, intimidating, coercing, or otherwise interfering with the job performance of fellow employees, customers, vendors, or guests.

- Use of racial slurs, derogatory comments, or insults.
- Fighting with or assault on another person.
- Making inappropriate gestures, including visual staring and obscene gestures such as “flipping the bird.”
- Deliberate discourtesy to an employee, client or the public.
- Refusing to participate in or providing misleading or false information during a Company investigation.
- Being insubordinate, threatening, intimidating, disrespectful or assaulting a manager/supervisor, coworker, customer, vendor, or guest.
- Failure to fulfill responsibilities of the job as defined in the job description and/or post orders.
- Sabotaging another's work
- Stalking others
- Making knowingly false or malicious statements about others.
- Falsifying Company documents or records, including but not limited to job reports and workers compensation or accident records.
- Failing to notify supervisor of loss of driver’s license, arrests, or convictions.

Our clients pay us and we pay our employees to remain alert to potential threats. Sleeping on the job is completely unacceptable under any circumstances and is grounds for immediate dismissal. Refusing any assignment or change in assignment, or acting in such a manner that a client requests an employee to be removed from the job assignment may result in immediate dismissal.

Code of Ethics

GuardTexas operates with a high level of ethics in order to maintain the trust and respect of our clients, employees, investors, vendors, and the communities in which we conduct business. An impeccable reputation is our most valued asset in the marketplace. In order to maintain this asset, it is essential that all employees follow our Code of Ethics Policy and conduct themselves with integrity and comply with all applicable laws in a manner that excludes considerations of personal advantage or gain.

An employee's actions under this Policy are significant indications of the individual's judgment and competence. Accordingly, those actions constitute an important element in the evaluation of the employee for position assignments and promotion. Correspondingly, insensitivity to or disregard of the principles of this Policy will be grounds for appropriate disciplinary action. Each employee shall make prompt and full disclosure in writing to their manager of any potential situation which may involve a conflict or potential conflict of interest, which include but are not limited to the list of behaviors below that are specifically prohibited by this policy:

- Accepting gifts or premiums from, or extending any to, business associates, suppliers, vendors, or clients.
- Management accepting gifts from those under their supervision of more than a nominal or limited value.
- Using Company owned property or equipment for other than Company related purposes.
- Hiring, contracting with, or compensating relatives in any way without prior written approval from an Officer of the Company.
- Giving, offering, or promising, directly or indirectly, anything of value to any representative of an Outside Business. For purposes of this section, “Outside Business” is defined as any person, firm, corporation, or government agency that sells or provides a service to, purchases from, or completes with Executive Security Systems. Examples of violations include holding an ownership or financial interest in an Outside Business and accepting gifts, money, or services from an Outside Business.

- Acting as a broker, finder, go-between or otherwise for the benefit of a third party in transactions involving or potentially involving the Company or its interests.
- Using any confidential product information, data on decisions, plans, or any other information which might be contrary to the interest of the Company without prior authorization.
- The misuse, unauthorized access to, or mishandling of the Company's or client's Confidential Information.
- Holding membership in or becoming involved in any way with an entity that is in direct conflict with the Company's equal employment policy.
- Using the Company's name, time or assets imprudently or accepting such behavior from other employees.
- Failing to disclose any proposed action(s) to be taken on behalf of the Company which may be deemed unethical.
- Making false entries to books or records of the Company and/or providing false or misleading statements pertaining to the Company and its operations.
- Any activity or having any financial interest that is inconsistent with the Company's best interest.
- Any activity, investments, or associations that compete with the Company, interferes with one's judgment concerning the Company's best interests, or exploits one's position with the Company for personal gain.

It is never permissible to accept a gift in cash or cash equivalent such as stocks or other forms of marketable securities of any amount. Every employee has the responsibility to ask questions, seek guidance, report suspected violations, and express concerns regarding compliance with this policy.

Non Solicitation Policy

To protect you and our customers from unnecessary interruptions and annoyances, it is our policy to prohibit the distribution of literature in work areas, including without limitation any property where a GTX employee is assigned to provide services, and to prohibit solicitation and distribution of literature during employees' working time. "Working Time" is the time an employee is engaged in or should be engaged in performing his or her work tasks for GTX. These guidelines also apply to solicitation by electronic means. Solicitation or distribution of any kind by non-employees on Company premises is prohibited at all times. Nothing contained in this policy is intended to restrict an employee's rights under the National Labor Relations Act, including without limitation the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid and protection.

Bulletin Boards

Bulletin boards maintained by GTX are to be used only by management for posting or distributing material of the following nature:

- Notices concerning matters directly concerning Company business
- Announcements of a business nature that are equally applicable and of interest to employees
- Company, federal and state law posters in compliance with applicable requirements

All bulletin boards are owned by the Company and are considered company property. Only Branch Managers are authorized to post notices on the bulletin board. All employees are expected to check these bulletin boards periodically for new and/or updated information and to follow the rules set forth in all posted notices. Employees are not to deface or remove material from the bulletin boards.

Audio and Video Recordings

With the exception of video or audio recordings made at the direction of GTX to fulfill your job requirements, GTX prohibits employees from making audio or video recordings during working time and/or while on the Company's property. Violation of this policy will result in discipline up to and including termination of employment. The purpose of this policy is to eliminate a chilling effect to the expression of views that may exist when one person is concerned that his/her conversation with another is being secretly recorded. This concern can inhibit spontaneous and honest dialogue especially when sensitive or confidential matters are being discussed. Nothing contained in this policy is intended to restrict an employee's rights under the National Labor Relations Act, including without limitation the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid and protection.

Endorsement of the Company's Products or Services

The Company prohibits employees from engaging in covert marketing for the Company or its products or services. If an employee publishes anything about a product or service of the Company, he/she must identify himself/herself as an employee of the Company. Employees are legally required to identify their employment relationship with the Company when making any statement about the Company's products or services if it might be relevant to a consumer's decision to patronize the Company, or their failure to do so could be misleading to readers. This means, for example, that employees may not post anonymous online reviews of the Company's products, or any review that fails to identify the poster as an employee of the Company.

Equal Employment Opportunity

GuardTexas (GTX) provides equal employment opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty, status as a covered veteran, or other classifications protected by law in accordance with applicable federal, state and local laws. GTX complies with applicable state and local laws governing nondiscrimination in employment in every location in which the Company has facilities. This policy applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training.

GuardTexas expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, national origin, age, genetic information, disability or veteran status. Improper interference with the ability of GTX employees to perform their expected job duties is absolutely not tolerated.

Handbook is Not a Contract

Except for the provisions contained in the Dispute Resolution, Arbitration and Mutual Waiver of Jury Trial sections of this handbook, the policies and procedures presented within this handbook are for information and illustrative purposes and are in no way to be interpreted or construed as a contract of employment or guarantee of continued employment for any specific period of time. The work rules contained in the policies and procedures are for illustrative purposes and are not considered to be exclusive. Unless otherwise stated, all policies apply to each employee of GTX.

Except for the provisions contained in the Dispute Resolution, Arbitration and Mutual Waiver of Jury Trial sections of this handbook, GTX reserves the right to unilaterally amend or withdraw any policy or procedure at any time with or without advance notice, for any reason deemed appropriate.

In the event any contradiction arises between the policies and information contained in this handbook or plan documents and specific federal, state, or local laws or requirements, the latter will govern in all cases.

Anti-Harassment and Discrimination Policy and Complaint Procedure

GTX is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and

prohibits unlawful discriminatory practices, including harassment. Therefore, GTX expects that all relationships among persons in the office will be business-like and free of bias, prejudice and harassment.

It is the policy of the Company to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin, age, disability, genetic information, marital status, amnesty or status as a covered veteran. The Company prohibits any such discrimination or harassment.

GTX encourages reporting of all perceived incidents of discrimination or harassment. It is our policy to promptly and thoroughly investigate such reports. The Company prohibits retaliation against any individual who reports discrimination or harassment or who participates in an investigation of such reports.

Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example

- a) Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- b) Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- c) Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include:

- Unwanted sexual advances or requests for sexual favors;
- Sexual jokes and innuendo;
- Verbal abuse of a sexual nature;
- Commentary about an individual's body, sexual prowess or sexual deficiencies;
- Leering, whistling or touching;
- Insulting or obscene comments or gestures based on an individual's sex;
- Display in the workplace of sexually suggestive objects or pictures; and/or
- Other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that

- a) Has the purpose or effect of creating an intimidating, hostile or offensive work environment;
- b) Has the purpose or effect of unreasonably interfering with an individual's work performance; or
- c) Otherwise adversely affects an individual's employment opportunities.

Harassing conduct of this nature includes:

- Epithets, slurs or negative stereotyping;

- Threatening, intimidating or hostile acts;
- Denigrating jokes and/or
- Written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to GTX (e.g., an outside vendor, consultant or client).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Complaint Process

You are expected to promptly report any observed or known violations of any policy, including but not limited to incidents of discrimination or harassment, to your immediate supervisor, Branch Manager or Human Resources. You can also raise any concerns you may have by e-mailing hr@guardtexas.com. Managers who receive complaints should inform Human Resources immediately. If the complaint involves Human Resources, the report should be directed to the President of the Company. If, at any time, you believe your complaint is not being or has not been adequately addressed, you should elevate your complaint to the President of the Company in writing describing the nature and date of your original complaint and what you remain dissatisfied with.

You should keep an accurate written record of the date and time of the potential violations, a written description of what occurred, any witnesses that were present and what was said by each of the parties present. Your complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, descriptions of actual events and direct quotations when language is relevant, and any documentary evidence (e.g., notes, pictures, cartoons). The more specific your complaint, the better the Company is able to thoroughly investigate it.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly by the Company. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge. All employees are required to cooperate fully in any such investigation.

Reports of harassment or discrimination will be treated confidential to the extent possible, without impeding the ability of the Company to conduct a thorough investigation and determine appropriate corrective action.

The Company will not tolerate any acts of retaliation against a person who utilizes this procedure in good faith or anyone who participates in this procedure in good faith. If the investigation reveals that the complaint appears to be substantiated, immediate and appropriate corrective and remedial action will be taken to stop the inappropriate conduct. This corrective and remedial action may include disciplining the offending individual up to and including termination of employment. At the conclusion of the investigation, the reporting party will be advised of the Company's general conclusions.

Outside Employment

The Company holds all employees to the same performance standards and scheduling expectations, even if they have other jobs. Employees cannot work for a direct competitor or for any other company that might create an actual or potential conflict of interest. Conflict of interest may arise if an employment or personal interest:

- Interferes with an employee's duties and responsibilities to the Company
- May be inconsistent or incompatible with the employee's obligations while working for the Company
- Results in improper benefit to an employee, or a family member as a result of employee's position with the Company, encroaches on the time that the employee should be devoting to their work with the Company

Employees should consider their employment with GuardTexas as their primary employment. If the Company determines that your outside employment interferes with performance or the ability to meet work requirements, you may be asked to terminate the outside employment if you wish to continue employment with the Company. An outside employment that constitutes a conflict of interest is strictly prohibited.

Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA)

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act (ADAAA) are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of GuardTexas to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is GTX' policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

The Company will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to the Company. Contact the Human Resource department with any questions or requests for accommodation. In determining the need for and effectiveness of an accommodation, the Company may require you to provide documentation from your healthcare provider to support the request. We may also need to discuss your need for assistance or accommodation with your doctor or have you do so and provide us with the information requested. If an accommodation is needed, the Company will work with you to determine what is appropriate under the circumstances on a case-by-case basis.

Outside Activity during Disability

A number of approved benefits and leaves of absence may be provided to employees who are unable to perform the essential functions of their job. Such leaves include FMLA, personal leave, and worker's compensation disability leave. Since you must be disabled or temporarily incapacitated from your job to claim these benefits, the Company specifically prohibits an employee who is on any of these forms of a leave from participating in any activity that would be precluded by their medical restrictions. This includes working for any secondary employer while on a leave of absence if the work to be performed would violate your medical restrictions. Violations of this policy may lead to disciplinary action, up to and including termination of employment.

Substance Abuse Policy

GTX recognizes that alcohol and drug abuse in the work place has become a major concern. We believe that by reducing drug and alcohol abuse, we will improve the safety, health, and productivity of employees. The objectives of our drug abuse policy are to provide a safe and healthy work place for all employees, prevent accidents, and comply with §7.19 of the Texas Worker's Compensation Act.

The use, possession, sale, solicitation for, transfer, purchase, being under the influence of drugs/alcohol, or the presence of any detectable amount of prohibited substance in the employee's system at any time on company premises, while on assignment on a client's property, or on company business is prohibited. The illegal use of any

drug is prohibited. Employees must not report for duty or be on company or client property while under the influence of, or have in their possession, any alcohol or illegal drug.

Definition of Drug

For the purpose of this policy, the term “drug”, wherever it appears in this policy statement, includes inhalants, illegal drugs, or prescription drugs that are not used in accordance with the prescription or by someone other than the person for whom it was prescribed.

“Alcohol” shall refer to any liquid intoxicant including beer, wine, liquor, or other substance containing alcohol.

“Legal drugs” are those prescribed or over the counter drugs which are legally obtained by an employee and used for the purpose for which they were prescribed or sold.

Drug Testing

We require drug testing as a condition for continuing employment. Any employee may be assigned to a site that requires drug testing. In those circumstances, you must consent to the drug testing procedures required by the site as a condition of continued employment. Refusal to consent or comply will be grounds for immediate termination. GTX may require a drug test under the circumstances below.

- Under Texas Department of Private Security regulations, at least 15% of GTX Commissioned security officers, selected at random, must submit to a commercially available means of drug screening, or be examined by a licensed physician each quarter and be declared in writing to show no trace of drug dependency or illegal drug use.
- An employee who is involved in an on-the-job accident or injury under circumstances that suggest possible use of drugs or alcohol may be asked to submit to a drug and/or alcohol test. “Involved” means any employee who may have contributed to the accident or injury in any way.
- Any time it appears an employee may be under the influence of drugs or alcohol, GTX may request a drug and/or alcohol test. Such circumstances include but are not limited to: evidence of drug or alcohol on the employee’s person or in his/her vicinity; unusual conduct that suggest impairment; negative performance patterns; excessive and unexplained absenteeism or tardiness.

Drug Testing Protocols

- Any drug test performed shall include tests for at least methamphetamine, THC and other cannabinoids (i.e. marijuana), cocaine, opiates, and amphetamines.
- GTX shall not place on duty any security officer who tests positive for any drug(s) or substance(s) until a successive test indicates no trace of the drug(s) or substance(s) for which the tests are performed.

Education and Training Programs

We do not sponsor, endorse, offer, nor require participation in drug and alcohol abuse education/training or treatment programs. However, various public and private facilities in our area offer such programs and affected employees are encourage to voluntarily seek assistance. Affected employees are encouraged to voluntarily seek assistance for themselves and their dependents.

Disciplinary Action

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination. The determination of what disciplinary action is appropriate for a violation of this policy rests solely with the Company. Discipline may be based not only a violation of this policy, but also on prior poor performance, workplace misconduct, other rule violations and any other factors which the Company determines to be relevant. This policy in no way implies or creates any contract or obligation to follow any particular procedure.

Privacy of Employee Information

We safeguard personal employee information in GTX possession to ensure the confidentiality of the information. Additionally, the Company will only collect personal information that is required to pursue its business operations and to comply with government reporting and disclosure requirements. Personal information collected by the Company includes employee names, addresses, telephone numbers, e-mail addresses, emergency contact information, EEO data, social security numbers, date of birth, employment eligibility data, benefits plan enrollment information, which may include dependent personal information, and school/college or certification credentials. All pre-employment inquiry information and reference checking records conducted on employees and former employee files are maintained in locked, segregated areas.

Personal employee information will be considered confidential and as such will be shared only as required and with those who have a need to have access to such information. All hard copy records will be maintained in locked, secure areas with access limited to those who have a need for such access. Personal employee information used in business system applications will be safeguarded under company proprietary electronic transmission and intranet policies and security systems. Participants in company benefit plans should be aware that personal information will be shared with plan providers as required for their claims handling or record keeping needs.

Company-assigned information, which may include organizational charts, department titles and staff charts, job titles, department budgets, company coding and recording systems, telephone directories, e-mail lists, company facility or location information and addresses, is considered by the Company to be proprietary company information to be used for internal purposes only. The Company maintains the right to communicate and distribute such company information as it deems necessary to conduct business operations.

If an employee becomes aware of a material breach in maintaining the confidentiality of his or her personal information, the employee should report the incident to the Corporate Human Resources Department which has the responsibility to investigate the incident and take corrective action. Please be aware that a standard of reasonableness will apply in these circumstances.

Examples of the release of personal employee information that will not be considered a breach include the following:

- Release of partial employee birth dates, i.e., day and month is not considered confidential and will be shared with Branch Managers who elect to recognize birthdays.
- Personal telephone numbers or e-mail addresses may be distributed to supervisory teams in order to facilitate company work schedules or business operations.
- Employee identifier information used in salary or budget planning, review processes and for timekeeping purposes will be shared with supervisors.
- Employee's company anniversary or service recognition information will be distributed periodically.

Dispute Resolution, Arbitration and Mutual Waiver of Jury Trial

THE COMPANY AND ALL EMPLOYEES AGREE THAT ALL CLAIMS ARISING UNDER THE FAIR LABOR STANDARDS ACT OR ALLEGING WAGE AND HOUR VIOLATIONS; FOR FAILURE TO PROPERLY CALCULATE OR PAY OVERTIME (OR THE COMPANY'S CLAIMS SEEKING LEGAL DECLARATIONS OF EXEMPT STATUS), ALL CLAIMS ALLEGING THE FAILURE TO PAY MINIMUM WAGES; ANY CLAIMS REGARDING ALLEGING MISCLASSIFICATION OF EXEMPT OVERTIME STATUS AS WELL AS ANY CLAIMS SEEKING A LEGAL DECLARATION ON EXEMPT STATUS OR PROPER PAYMENT OF WAGES SHALL BE RESOLVED BY AND SUBJECT TO MANDATORY, BINDING ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT AND SUBJECT TO THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION FOR THE RESOLUTION OF EMPLOYMENT DISPUTES THEN IN EFFECT WITH THE EXCEPTION THAT THE ARBITRATOR SHALL NOT HAVE THE RIGHT OR AUTHORITY TO CONDUCT ANY ARBITRATION ON A CLASS, COLLECTIVE OR REPRESENTATIVE BASIS. ALL ARBITRATIONS COVERED BY THIS POLICY SHALL BE CONDUCTED AS INDIVIDUAL CLAIMS (NOT CLASS OR COLLECTIVE ACTIONS) AND EACH RESOLVED IN A SINGLE ARBITRATION BETWEEN THE EMPLOYEE AND COMPANY.

COMPANY AND EMPLOYEE INTEND THAT ALL DISPUTES SHALL BE RESOLVED BY AN ARBITRATOR TO ARBITRATE THEIR INDIVIDUAL DISPUTES AND NO OTHER, EVEN IDENTICAL, DISPUTES WITH A THIRD-PARTY OR OTHER CURRENT OR FORMER EMPLOYEE OF COMPANY. THE ARBITRATION SHALL BE CONDUCTED IN THE CITY WHERE THE EMPLOYEE PERFORMED SERVICES FOR THE COMPANY UNLESS THE EMPLOYEE AND COMPANY AGREE OTHERWISE.

ALL DISPUTES AND CLAIMS NOT COVERED BY THE MANDATORY ARBITRATION PROVISION ABOVE SHALL BE TRIED TO A COURT OF COMPETENT JURISDICTION SITTING WITHOUT A JURY. COMPANY AND EMPLOYEE EACH UNCONDITIONALLY AND IRREVOCABLY WAIVE THEIR RIGHT TO JURY TRIAL ON ALL DISPUTES BETWEEN AND AMONG THEM.

Company Benefits

Definitions of Employee Status for Purposes of Benefits Eligibility

In order to determine eligibility for the benefits described below, we use the following status definitions:

Full Time Employee: hired for or assigned to a specific schedule or position and reasonably expected to work a minimum of 130 hours per month, the equivalent of 30 hours per week.

Variable (Part Time) Employee: hired for or assigned to schedules and/or client locations that vary and/or could be uncertain. As a result, we cannot always determine at hire or assignment if you will be working 130 hours per month, or the equivalent of 30 hours per week.

Casual (Temp) Employees: work on an “as needed” basis and do not have a regular schedule.

Rehired Employees: have worked for GTX before, left, and are returning to employment with us. The effective date of the rehire will be used to determine vacation eligibility as defined below. Employees with health benefits elections who terminate and are rehired within 90 days of their termination date will have health care benefits reinstated as stipulated in the Affordable Care Act. Those rehired after 90 days will be treated as a new hire for purposes of health care benefits.

Full time employees are eligible for all Company benefits as described below. For purposes of determining benefits eligibility for variable hour and casual employees, we measure hours worked over the course of twelve months beginning on the first day of the month following your hire or assignment to variable (part time) status. If your hours over the twelve month period average 130 hours per month, you will be considered a full time employee and will become eligible for all full time benefits at that time, as described below.

Effects of Transfers

Employees who transfer to GuardTexas from another security company as part of a new contract may have their service with the former company credited for purposes of vacation eligibility. However, health insurance benefits will be determined by the employee’s status and hire date with GTX.

Employees who transfer to full time from part time or casual status will be eligible for benefits for full time employees based on their status change date and the criteria for full time employees. Employees who transfer from full time status to part time status will lose vacation eligibility, and will be subject to the part time measurement period for health insurance based on their status change date. If already enrolled in health insurance benefits at the time of the status change, the benefits will continue unless the employee expressly cancels coverage. Employees on leaves of absence approved by Corporate Human Resources will not lose tenure for the period of the leave.

Benefits may change at the Company discretion. This handbook is not an official plan document for any employee benefit plan and is not intended to revise specific information in regards to the benefits described below. It is also not a guarantee of any benefits described below. If there is a conflict between language in this handbook and language in an official plan document, the official plan document governs. If you have any questions, contact Human Resources.

Immediate Benefits for All Employees

Advancial Credit Union

All employees are currently eligible for membership in the Advancial Credit Union upon hire. Family members living in the same household may also enroll as members. Once you become a member, you never lose it until you decide you no longer want to participate. Advancial is a not-for-profit alternative to traditional banking. Profits go back into the members' pockets to help you succeed financially. Benefits of Advancial Credit Union Membership include:

- Credit unions offer services similar to those of banks and are just as secure. There is one fundamental difference – banks give their profits to the owners, and credit unions share their profits with their members.
- Many services are free to members, and they offer low cost consumer loans and mortgages, a more generous return on savings and investment accounts, online banking and bill pay.
- You have access to ATMs at any bank or credit union and receive reimbursement of the fees.
- You can open a savings account with \$5 and a checking account with \$25. Visit www.joinadvancial.org and enter GTX as your Advancia@WorkID to open your account online, or call 1-800-322-2709 if you have questions.

Paid Holidays

All officers are currently eligible to be paid for worked holidays as soon as they begin employment with us. Corporate office and administrative employees are eligible for paid holidays when the office is officially closed for a recognized holiday.

GTX recognizes the following holidays and pays 1½ times the current job rate for all hours worked between 0-24:00 (12:00 midnight to 12:00 midnight):

New Year's Day (January 1)	Independence Day (July 4)
Memorial Day (4th Monday in May)	Thanksgiving Day (4th Thursday in November)
Labor Day (1st Monday in September)	Christmas Day (December 25)

On those jobs where a provision has been made with the client to provide holiday pay even though the employee is not present on the job, these non-worked hours will be paid at the regular hourly rate. Non-worked holiday hours are not calculated as part of the 40 hour requirement for the week for overtime pay. Holidays that are NOT WORKED and where the client has NOT made provision to pay for the holiday are NOT PAID to the employee.

Benefits Available after Meeting Eligibility Requirements

Full time employees as determined by the criteria defined above are currently eligible for the benefits in this section on the first of the month following 60 days of tenure at a designated full time classification. Part time employees will be evaluated for hours at twelve months and will qualify if the hours average 130 per month over the twelve month period.

Health Insurance and Healthcare Exchange

We currently offer three levels of health coverage on a voluntary basis for hourly non exempt employees.

Minimum Essential Coverage (MEC) – Provides 100% coverage for 60 preventive and wellness services and is compliant with the provisions of the Affordable Care Act for Minimum Essential Coverage but not Minimum Value.

MR Plans 1 & 2 – Limited Medical Plans provide limited coverage for sick doctor visits, prescriptions, hospital and surgical care, and patient advocacy. Plan 2 provides a higher dollar payment schedule for covered services. Employees may choose one of these options in addition to the MEC to meet the individual mandate for the Affordable Care Act.

Eligible employees will have the option to purchase dental, vision and life insurance, as well as short-term disability, and accident policies.

If you need more extensive coverage, visit www.Healthcare.gov to see if you qualify for a healthcare subsidy through the federal Health Insurance Marketplace.

See information below on page 26 for more information regarding exchanges.

Benefits Available after One Full Year of Continuous Service

Private Security Bureau Fees

After one (1) full year of continuous service, GTX currently pays the costs for renewal of PSB registrations for both part time and full time employees. GTX does not currently pay fees for casual employees. Rehires are currently eligible after one year of continuous employment from the rehire date.

Paid Vacation Benefit for Full Time Employees

GTX provides vacation benefits to all full-time employees after one (1) full year of service at full time status, defined as working a minimum of 30 hours per week. Your annual vacation date is the anniversary of your full time date. A break in employment for any reason other than an approved leave of absence will result in service calculation for vacation starting over with the date of rehire and the new full time date.

Definitions:

Accrued Vacation: hours that grow, or increase, each week that a full time employee works 30-40 hours based on the schedule below. These “accrued” hours go into your account to be used or cashed out on or after your vacation date. These accrued hours will show on your check as “Vacation Accrued Hours this Pay Period.”

Earned Vacation: accrued hours that have become available to use or cash out as of your vacation date each year. Accrued hours are NOT available until the vacation date. These hours will show on your paycheck as “Available Vacation.”

Vacation Accrual

Vacation accrues based on TENURE and how many REGULAR hours an eligible employee works PER PAY PERIOD. Vacation for eligible employees accrues each pay period throughout the year and becomes earned on the full time anniversary date. The amount of vacation accrued increases with length of service:

1 to 3 years - .019240 hour accrued per regular hour worked, up to a maximum of 40 hours per vacation year

4 or more years - .038470 hour accrued per regular hour worked, up to a maximum of 80 hours per vacation year

Overtime hours are not calculated as part of the vacation accrual. No hours accrue in weeks that a full time employee works less than 30 hours.

The amount of the vacation hourly rate is determined by pay history of the year prior to the vacation date. The earned vacation hours are multiplied by the average regular hourly rate to determine vacation pay. For example, for 2015 vacation pay:

A full time employee with an anniversary date of May 1, 2014 has earned 35 hours of vacation as of May 1, 2015. He worked 1820 hours over the course of the year with total earnings of \$20,000.

$\$20,000 \text{ regular earnings} \div 1820 \text{ hours worked} = \$10.99 \text{ average hourly rate}$

$\$10.99 \text{ average hourly rate} \times 35 \text{ earned vacation hours} = \$384.65 \text{ vacation pay}$

Vacation may be requested for payment on the paycheck following the date it becomes earned.

Eligible employees may request a "cash out" payment for earned vacation instead of taking paid time off. You are expected to work your last scheduled day before vacation and your first scheduled day after vacation in order to receive vacation pay for paid time off. Vacation pay will be issued on the paycheck following submission of request to the corporate office.

Scheduling Vacation

Vacation time off must be requested a minimum of four (4) weeks in advance in order to give us time to schedule coverage for your job. All requests must be approved by the supervisor. Approval is dependent upon the department's operational needs as well as other requests from employees with greater seniority. We reserve the right to limit the number of employees on vacation in any particular department of job classification at any one time so that we may meet our business requirements. Requesting time off does not guarantee approval. Requests made less than four (4) weeks in advance may be refused. An employee who is on probation for poor work performance, excessive attendance issues, etc. may not be allowed to take time off until the probationary period has been successfully completed.

Effect of Status Change on Vacation Accrual and Vacation Dates

In the event of a change from full time to part time status, an employee will stop accruing hours but will not lose any hours accrued up to the date of the status change. However, hours may not be taken until reinstated to full time status. In the event of a change from part time back to full time status, the vacation year becomes the NEW full time date and hours will begin to accrue again as of that date. Hours will accrue based on tenure with the company. Any hours accrued during previous full time status will become earned and available to take on the new vacation anniversary.

Effect of Termination of Employment for Any Reason

Any earned but unused vacation upon termination of employment with GTX will be forfeited, and is not paid at termination. Vacation may not be taken or cashed out during a period of termination notice. Vacation accrued hours that have not become earned are never paid at termination.

Carryover of Vacation

If you do not take your vacation, you may allow it to carry over into the next vacation year one time, up to the sum of the maximum you are allowed for both years. You will not accrue additional hours until you have used some of the hours in your account.



PART A: General Information

When key parts of the health care law took effect in 2014, there was a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by your employer.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins in November 2016 for coverage starting January 1, 2018.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.¹

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution -as well as your employee contribution to employer-offered coverage- is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact your Branch Office.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit **HealthCare.gov** for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

¹ An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.

Security and Patrol Officer Policies

This section details conditions of employment for our Security Officers. Due to Private Security Board regulations,

- Employees of GTX must be at least eighteen (18) years of age and have a minimum of high school diploma or equivalent;
- Individuals with a felony conviction or a Class A misdemeanor are barred from holding a security license for 20 years after the conviction; Class B misdemeanor for 5 years after the conviction;
- We will conduct random drug screening throughout the year of 15% of our commissioned workforce each year as required by the PSB.

Uniform

You will be provided with at least one (1) uniform shirt, pant, badge and nameplate (subject to change). The Company will withhold a \$100 fee from your paycheck, which will be refunded subject to the conditions in the uniform policy. You will be asked to sign a withholding authorization for the deduction. Uniforms will not be provided and you may not begin work until the authorization has been signed and received by GTX.

Additional approved uniform accessories, such as an outerwear garment, can be purchased through the Company and paid for through payroll deductions for which you must complete a payroll deduction authorization. You are responsible for purchasing a white crew-neck tee shirt, solid black shoes and a solid black belt.

The Company patches and basic uniforms are Company property. Per PSB requirements, you must immediately return the patch and any uniforms issued if you leave employment with GTX for any reason, voluntary or involuntary. If you purchase a coat or jacket to be worn with your basic uniform, you may keep the jacket upon leaving the Company but MUST return the Company patches and/or badges.

Registration and Fees

Permits to work as a commissioned or non-commissioned Security Officer are issued directly to the Officer by the Texas Department of Private Security Board (PSB) and are the property of the individual employee. As such, costs associated with this required registration are the responsibility of the Security Office in whose name the permit is issued.

Current costs (subject to change by the PSB):

Type of Cost	Fee
<i>Non-Commissioned</i>	
Original Registration Application	\$ 63
Employee Information Update	\$ 17
Renewal Fee	\$ 38
Renewal + Late Fee 0-90 days	\$ 43
Renewal + Late Fee 90 + days	\$ 68
<i>Commissioned</i>	
Original Registration Application	\$ 85
Employee Information Update	\$ 17
Renewal Fee	\$ 60
Renewal + Late Fee 0-90 days	\$ 85
Renewal + Late Fee 90+ days	\$ 110
Fingerprints	\$ 25

Registrations and Pocket Cards

Obtaining and maintaining a security registration issued by the PSB is a condition of employment as required by the Texas Occupations Code §1702. Each Security Officer is required to carry his/her registration pocket card while in uniform and on duty. It is your responsibility to obtain your pocket card and it should NEVER be altered or defaced in any way. Failure to maintain current registration documents will result in termination of employment.

Uniform Policy

GuardTexas, (GTX) issues uniforms and other equipment as part of our condition of employment. Employees are required to sign an acknowledgment of receipt and are responsible for maintenance and care while in his/her possession. Uniforms and other equipment are considered and remain property of the Company. Items issued are expected to show normal wear and tear, which does NOT include rips, burns, lost buttons, or broken badges.

Uniform Deposit

A uniform fee of \$100 is charged to each employee and deducted in \$15 increments over the first seven (7) paychecks. This uniform fee is refunded to active employees after one full year of continuous employment and is issued in the pay cycle following the one year anniversary date. There is no uniform refund for employees with less than one full year of service. Deposit amounts are subject to change with or without notice based on our costs and changing vendor supplies.

Uniform Return upon Termination from GTX

Upon leaving GTX for any reason, voluntarily or involuntarily, uniforms and other equipment must be returned in a clean, useable and issue-ready condition upon demand or no later than the seventh (7th) day after termination of employment pursuant to Texas Private Security Bureau Rule 422.03.

- Any loss or damages to any part of the uniform is the responsibility of the individual employee and costs to replace or repair will be deducted from the deposit and/or final paycheck. Any such payroll deductions beyond the deposit of \$100 for employees with less than one year of service shall not reduce the employee's hourly wage below the current minimum wage rate for the most recent job. A list detailing the replacement costs is available upon request.
- If the uniform and equipment are not returned upon termination, GTX reserves the right to pursue legal action, debt recovery, or file criminal charges. Such failure may also be reported to the PSB which could impact your future employment in the security industry.

Company issued uniforms and equipment may be returned to the Branch office during normal business hours of Monday through Friday, 8 AM to 5 PM. A receipt for the returned must be generated by the Branch Office Administrator or a member of management verifying the uniform condition.

Uniform and Appearance Policy

GuardTexas (GTX) is committed to providing a high level of personalized service and professional officers to our clients. The appearance of our security officers has a direct influence on the image of the Company as well as the image of authority an officer must project for his/her own safety. Due to the public nature of our business and the business necessity that uniformed personnel represent a figure of authority, our appearance policy specifically prescribes every detail of personal appearance while in uniform, including hair length, facial hair, and cosmetic use. The uniform is to be worn ONLY when on active assignment or duty. Wearing the uniform at any other time will be grounds for immediate termination.

Officers are responsible for maintaining their uniforms in good condition, and are to keep them clean, neat and pressed at all times. No insignia, emblems or buttons other than those issued by GTX are to be worn on the uniforms. A nametag is automatically ordered at the time of hire; contact the Branch office for a replacement.

Hygiene Standards

Hair	Hair is to be neatly combed and appropriately cut. Extreme or fad style hairstyles are not acceptable. If hair dye, tint or bleach is used, colors must be natural to hair color and not present an extreme appearance. Lines or designs are not to be cut into the hair or scalp. Men: hair length should not extend below the shirt collar. Women: hair should be worn in a neat fashion.
Facial Hair	Mustaches must be kept neatly trimmed, tapered and tidy. No portion of the mustache may cover the upper lip line or extend past the corners of the mouth. Sideburns are to be no wider than one inch and not extend below mid-ear. The rest of the face should be clean-shaven.
Hair Ornaments	Hair ornaments, including but not limited to barrettes, pins, clips and bands, must be unadorned and plain, and inconspicuously placed. Color should be close to the hair color or transparent. Beads or similar ornamentation are unacceptable.
Cosmetics	Female officers may wear cosmetics applied conservatively and in good taste. Exaggerated or faddish cosmetic styles are inappropriate with the uniform and are unacceptable. Lipstick and nail polish may be worn as long as the color is conservative and complements the uniform. Extreme shades such as purple, gold, or blue are unacceptable.
Body Grooming	Maintain good daily hygiene to ensure no offensive body or breath odor. Perfumes or colognes should not be worn while in uniform. Any tattoos must be covered by the uniform so that they do not show, as they detract from an overall professional appearance.

Items that are not prescribed as part of the uniform are not to be visible (pagers, Bluetooth ear piece, sunglasses, tobacco products, combs, or unauthorized clothing or jewelry). Security officers will not place their hands in the pockets except momentarily to place or retrieve objects. All officers are expected to follow the guidelines below and to wear only the complete uniform issued by GTX when on duty. Uniforms are to be properly fitted, clean, and pressed. GTX will consider reasonable accommodations to the uniform and appearance policy for those employees who have sincerely held religious beliefs or disabilities that may conflict with this policy.

Uniform Appearance and Fit

Standard Duty Uniform Shirt	A company supplied uniform shirt shall be worn and kept buttoned at all times while on duty. Shirts should be neatly tucked in the pants with the edge of the seams of the shirt buttons aligned to the seams of the pants zipper. The sleeve length is to extend to the center of the wrist bone. Shirt pockets are not to be used to carry any item except a pen.
Standard Duty Uniform Pants	Pants are to be fitted and worn with the lower edge of the waistband at the top of the hipbone, plus or minus ½ inch. The front crease of the pants will reach the top of the instep and be cut to reach a point between the top of the heel and the top of the standard shoe in the back. The pants may have a slight break in the front. Items carried in the pants pockets are not to protrude or present a bulky appearance (wallet, checkbook, comb, keys, etc.).
Footwear	Shoes are to be solid black and should be kept cleaned, shined, and in good repair. Style should be appropriate to the uniform with a closed to and heel (no sandals or slip-ons). Laces, if any, must be black. No other color is allowed.
Socks	A pair of personally supplied black or navy blue socks must be worn at all times. White socks or socks with designs are not allowed.
Belt	A personally supplied solid black belt with a small gold or silver buckle should be worn at all times.
Nametag	A company issued nametag should be worn at all times on the outermost exposed garment and is to be kept in proper luster, free from scratches.
Undershirt	A personally supplied, black or white undershirt is to be worn under the uniform shirt.
Jewelry	One wristwatch and no more than two rings are allowed. Fad devices, vogue medallions, personal talismans, or amulets are not allowed. Female officers are authorized to wear “stud” earrings that may be no larger than a quarter.

Commissioned Officer Restrictions and Guidelines

The PSB provides very strict guidelines regarding firearms for Security Officers. We comply with all PSB regulations. You are prohibited by law and Company Policy to:

- Carry a firearm in a situation not governed by the Private Security Administrative Rules, which provides that it is unlawful to carry a firearm unless the Officer is engaged in his duties as a Security Officer or is traveling directly to or from his place of employment.

- Carry a single action firearm.
- Carry anything smaller than a .38 caliber weapon.
- Carry a weapon with a barrel longer than six (6) inches.
- Carry a semi-automatic weapon without a Texas PSB Commission, proof of firing range qualification.
- Carry an inoperative, unsafe, replica or simulated firearm while in the course and scope of your employment.
- Brandish, point, exhibit, or otherwise display a firearm at any time, except as authorized by law.

All Officers are required to contact the firearms instructor or designated representative for qualifying dates. All officers are required to qualify at least every two (2) years and achieve a minimum score of 90 out of 150. Any Officer in possession of a faulty weapon will be denied the right to carry a weapon until such time it is replaced or repaired.

Ammunition for a weapon must be factory produced and approved for use in the subject weapon by the Federal and State Regulatory Boards of Firearms. Speed loaders or other enhancement hardware will fall under the same inspections and requirements as a firearm.

Night Sticks, Clubs, Etc.

Nightsticks and other similar accessories fall under the same laws and requirements as a firearm. It is unlawful to carry a nightstick, club, or similar gear without being commissioned to do so by the PSB. You may carry ONLY a weapon for which you have received training and have received the expressed written consent of the GTX Corporate License Manager.

Handcuffs

Handcuffs may NOT be worn by any GTX officer without the expressed written consent of the GTX Corporate License Manager.

Driving Policy

Operation of a vehicle belonging to GTX (hereinafter referred to as “company vehicle”) is a responsibility, not a right. Drivers are responsible for operating the vehicle according to state and federal laws and our Company policy. Violation of these rules and any laws will result in the removal of driving privileges and could lead to disciplinary action, up to and including termination of employment.

Officers must have a valid and current Texas Driver’s License to operate a company vehicle and be a minimum of 25 years old. Motor Vehicle Records will be obtained on all drivers prior to employment in a position that requires driving for Company business. A driving record that fails to meet the criteria stated in this policy, or that is considered to be in violation of the intent of this policy, will result in removal from the position of Patrol Officer or suspension of driving privileges.

All drivers will be drug tested randomly, post-accident, and for cause, in compliance with our current drug testing policy. Failure to report immediately for a drug test may be grounds for removal of driving privileges. Employee driving records will be checked at least every 12 months to make sure the employee has an acceptable record to operate a patrol vehicle. *Below is a guide for our Driver Performance Rating:*

Moving Violations	Rating	At Fault Accidents	Rating
0	Clear	0	Clear
1	Borderline	1	Poor
2	Poor	After an “at fault” accident, GTX reserves the right to remove a driver from driving privileges. We do not guarantee that another position can be made available under these circumstances	
After 2 “moving violations”, GTX reserves the right to remove a driver from driving privileges. We do not guarantee that another position can be made available under these circumstances			

In addition to the chart above, the issues outlined below are considered “major incidents” and can place a driver in the “Poor” category with the potential to be removed from driving privileges:

- DWI in the past three years
- Failure to stop and/or report an accident
- Reckless driving or speed contest
- Driving while impaired
- Making a false accident report
- Homicide, manslaughter or assault arising from the use of a vehicle
- Driving while license is suspended or revoked
- Careless driving
- Attempting to elude a police officer
- Leaving the scene of an accident
- Permitting fellow employees, dependents, or any other person to operate the patrol vehicle under their control or assigned to them
- Suspension of driver’s license for any reasons
- Failure to consistently drive in a safe manner as determined by management
- Failure to notify management within one business day of any moving violation and/or accident

Scope of Use

Patrol vehicles are to be used for the Company’s business only. Personal use of the Company’s vehicle is prohibited, including use to pick up or drop off other employees other than approved by Manager.

Possession, transportation or consumption of alcohol or illegal drugs by anyone in the vehicle is prohibited

Unauthorized use of a vehicle belonging to the Company is grounds for immediate termination.

Traffic Violations

Traffic violations that occur while driving a company vehicle are the responsibility of the driver. If billed to the Company, the driver will be required to reimburse GTX for the cost.

At Fault Accidents

In the event of an accident determined to be caused by the vehicle driver, the driver will be responsible for the cost or the damage or the first \$200 for any cost of repair (whichever is lesser).

Safety Rules

GTX expects each employee to drive in a safe and courteous manner pursuant to the following safety rules.

The use of a company vehicle while under the influence of “drugs” as defined by our Drug Abuse policy is forbidden and is sufficient cause for discipline, up to and including termination of employment.

Company vehicles are to be driven by authorized employees only, except in case of repair testing by a mechanic authorized by GTX.

- Cell phone use while driving should be kept to a minimum. Drivers need to be aware when cell phone use is creating a distraction from safe driving and adjust their usage accordingly, including pulling off the road to continue/finish the conversation if needed. Whenever possible, drivers should complete calls while the vehicle is parked and/or use the phone in a “hands free” mode via a headset or speaker. While driving, attention to the road and safety should always take precedence over conducting business over the phone. Drivers are prohibited from texting while driving.

- No driver shall operate a company vehicle when his/her ability to do so safely has been impaired by illness, fatigue, injury, or prescription medication.
- All employees operating or riding in a company vehicle must wear seat belts, even if air bags are available.
- No passengers are allowed to ride in company vehicles except GTX personnel explicitly authorized by the Supervisor.
- Drivers are responsible for the security of company vehicles assigned to them. The vehicle engine must be shut off, ignition keys removed, and vehicle doors locked whenever the vehicle is left unattended. Head lights shall be used 2 hours before sunset and until 2 hours after sunrise, or during inclement weather or at any time when a distance of 500 feet ahead of the vehicle cannot be clearly seen.
- All State and Local laws must be obeyed, including but not limited to: speed limits, turn signals, stopping for red lights or stop signs, etc.

Reporting Requirements

Any employee who has a driver's license revoked or suspended shall notify the management no later than 9 a.m. central time the next business day and immediately discontinue operation of the Company's vehicle. Under no circumstances is anyone to drive a company vehicle without a valid driver's license. Failure to notify the management may result in disciplinary action, up to and including termination of employment.

All accidents in company vehicles, regardless of severity, must be reported to the police and to the management. Accidents are to be reported immediately from the scene, during the same day, or as soon as practical if immediate or same day reporting is not possible. Accidents involving the employee's personal injury must be reported to the management for Worker's Compensation purposes, even if there is no property damage to the vehicle. Failing to stop after an accident and/or failure to report an accident may result in disciplinary action, up to and including termination of employment.

Drivers must report all moving violations received during the operation of a company vehicle to the management within 24 hours.

Accident Reporting

In an attempt to minimize the results of an accident, the driver must prevent further damages or injuries and obtain all pertinent information and report it accurately to the Police and management. *Refer to the Accident Reporting Procedures for full detail*

Standard Patrol Vehicle Items

Every company vehicle must maintain the following standard items. Vehicles should be inspected by the driver before the start of each shift. Notify management if any of these items are missing or in need of repair.

1. Current insurance verification
2. Safety belts in good condition and ready to use
3. Fire extinguisher
4. First aid kit
5. Usable spare tire, jack and lug wrench
6. Reflector kit
7. Binder with the following forms and information:
 - a. Vehicle inspection forms
 - b. Emergency phone numbers
 - c. Company phone numbers
 - d. Copy of vehicle inventory form
 - e. Accident investigation form

Leaves of Absence

Jury Duty

Employees called to serve on jury duty will be granted an unpaid leave of absence for the required period of time. Arrangements should be made as far in advance as possible with the supervisor, and employees are required to keep their supervisor advised as to the length of time they will be involved with jury duty. Proof of attendance will be required.

Bereavement Leave

Employees will be granted time off without pay for attending funerals of immediate family members (parents, spouse or partner, siblings, grandparents, and in-laws of these designations). Immediate supervisors must be notified for approval immediately. The amount of time off is at the discretion of the Branch Manager and will include consideration of the closeness of the relationship and travel requirements.

Military Leave

GuardTexas will grant requests for military leaves of absence and for reinstatement of employment without a break in service from such leaves in accordance with the Uniform Services Employment and Reemployments Rights Act (USERRA). Employees requesting military leave are required to provide a copy of their military orders with the leave request.

Military service employees of GTX must meet these requirements to qualify for reemployment rights under USERRA:

- Ensure that GTX receives advance written or verbal notice of your service
- Have five years or less of cumulative service in the uniformed services while employed with GTX
- Return to work or apply for reemployment in a timely manner after conclusion of service
- Have not been separated from the uniformed services with a disqualifying discharge or under other than honorable conditions.

Military service members employed by GTX have the right to continue existing employer based health plan coverage for up to 24 months while in the military, or the right to reinstatement of your health plan when reemployed, generally without any waiting period or exclusions.

Lactation Breaks

The Company will provide a reasonable amount of break time to accommodate female employee's need to express breast milk for the employee's infant child up until twelve months of age. If possible the break time should be taken concurrently with other break periods already provided. If an employee needs longer than a scheduled break to express milk, the remainder of the break will be unpaid. The Company will also make reasonable efforts to provide employees with the use of a private room to express milk. An employee should notify her manager or Human Resources if she is requesting time to express breast milk under this policy.

Personal Leave (non-FMLA)

An employee may request up to two months of Personal Leave after one (1) full year of continuous employment. A written "Leave of Absence Request" must be submitted to the Operations or Branch Manager. Approval will be in the sole discretion of management and will be based on the reason for the request and business operation needs. Employees are not entitled to a personal leave of absence. An additional month of Personal Leave, a maximum total leave of 90 days, may be granted and is subject to approval, including extensions to previously approved Personal Leave. All personal leaves of absence are unpaid. Employees with accrued but unused vacation will be required to exhaust their paid vacation while on personal leave. All paid and unpaid leave will run concurrently.

Personal Leave must be taken as a continuous block of time and may not be taken intermittently. We will make every effort to return you to work after the leave of absence, but there is no guarantee of returning to the same job, assignment, or pay rate.

The Operations or Branch Manager should be notified of intent to return in writing at least one (1) week prior to the end of the approved Personal Leave. Failure to notify or to return to work on the approved date will result in termination of employment.

Employees on Personal Leave are responsible for paying the entire cost of their insurance premiums, if applicable, for the duration of their leave. Failure to pay premiums in a timely manner may interrupt coverage.

Benefits such as client approved holiday pay and vacation pay are not paid to employees on any leave of absence. Any vacation pay earned while on Leave of Absence (except FMLA) is paid after the employee returns to active employment. Only employees who are actively working will qualify for employees' benefits.

Family-Medical Leave (Family Medical Leave Act)

The Family Medical Leave Act grants UNPAID leave for family and medical circumstances, including leave for a qualifying exigency for families of members of the National Guard and Reserves when the covered military member is on active duty or called to active duty in support of a contingency operation, and to care for a spouse, son, daughter, parent or next-of-kin covered service member with a serious illness or injury incurred in the line of duty on active duty. FMLA requires reinstatement of the employee to the same or equivalent position upon conclusion of the FMLA leave. Benefits continue at the same level as prior to the start of FMLA.

Eligibility Requirements for FMLA

To be eligible for leave under the Family Medical Leave Act, an employee must:

- Have been employed for at least 12 months, AND
- Have worked at least 1,250 hours during the previous 12 months AND
- Be assigned to a qualifying location (a location where at least 50 employees work for the Company within a 75 mile radius).

Eligible employees will be granted leaves of absence for up to 12 weeks within a "rolling" 12-month period (beginning with the first day of approved FMLA) for any of the following reasons:

- Birth of a child and to care for the newborn child. This applies to both the mother and the father. The expectant mother may take FMLA leave for prenatal care or if the pregnancy makes her unable to work prior to the actual birth of the child she may take leave for her own serious health condition.
- Placement with the employee of a child for adoption or foster care. This leave must be given before the actual placement or adoption of a child if an absence from work is required for the placement for adoption or foster care to proceed.
- When certified by a health care provider to care for a family member (the employee's spouse, child or parent, but not a parent-in-law) with a serious health condition; or
- For a serious health condition that makes the employee unable to perform the functions of his/her position.

For a qualifying exigency for eligible employees with a spouse, son, daughter or parent on active duty or called to active duty status in the National Guard or Reserves in support of a contingency operation.

For purposes of this policy, a "serious health condition" means an illness, injury, impairment or physical/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 employees 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 2 visits to the health care provider or 1 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.

FMLA provides for up to 26 weeks of leave in a single 12-month period for the following circumstance:

- To care for a spouse, son, daughter, parent or next-of-kin covered service member with a serious illness or injury incurred in the line of duty on active duty. Next-of-kin is defined as the closest blood relative of the injured or recovering service member. This type of FMLA leave is also known as military caregiver leave or covered service member leave.

The single twelve month period begins on the first day an eligible employee takes military caregiver leave and ends 12 months after that date.

When a husband and wife both work for the Company and each wishes to take leave for the birth of a child, adoption or placement of a child for foster care, or to care for a parent (but not parent-in-law) with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave.

When a husband and wife both work for the Company and each wishes to take leave to care for a covered ill or injured service member, the husband and wife may only take a combined total of 26 weeks of leave.

FMLA leave may be taken intermittently or on a reduced leave schedule with the following exception:

When leave is taken after the birth or placement of a child for adoption or foster care, the approved leave must be continuous and may not be taken intermittently.

Eligible employees may take leave under the FMLA for any combination of these reasons, but the total of all combined leaves cannot exceed 12 weeks within the "rolling" 12-month period (or 26 weeks in a single 12 month period for military caregiver leave). Spouses who are both employed by GTX are limited to a combined total of 12 weeks leave under the FMLA within the "rolling" 12-month period for the birth or placement of a child or the care of a parent or child with a serious health condition. Regardless of the type of leave, an employee may not take more than 26 weeks of leave in any 12 month period.

A childcare leave must be taken in a continuous time period and may not be taken on an intermittent or reduced work schedule basis. A childcare leave must be completed within 12 months after the birth, adoption or placement of the child.

Medical Benefit Coverage during FMLA Leave

While the employee is on Family Medical Leave, the Company will maintain the employee's group health insurance benefits under the same terms as if the employee had continued to be actively employed. If the leave is unpaid, the employee will be responsible for missed benefit premium payments by checks made payable to GuardTexas.

Employees are responsible for making sure that GTX's Human Resources Department has his or her current address and is able to reach them. If the employee does not pay his or her portion of the premium, benefit coverage will be terminated retroactively to the last date the employee paid his/her portion. If the employee returns to work before paying its entire portion of the benefit costs, missed deductions will be taken from the employee's paycheck. If premiums are not paid in full, employees will be sent a letter advising them of the cancellation of their insurance and they will be offered the option to continue their existing medical coverage by electing and paying for the coverage under COBRA (Consolidated Omnibus Reconciliation Act of 1985).

If an employee does not return to work following the completion of leave under the FMLA, for any reason, providing the employee continued to pay the employee's portion of its premiums to maintain

the employee's health insurance coverage during the unpaid leave under the FMLA, employees may continue their existing medical coverage by electing and paying for the coverage under COBRA (Consolidated Omnibus Reconciliation Act of 1985).

Contact Corporate Human Resources for more information regarding COBRA benefits.

Other Benefits

If other insurance coverage, such as supplemental disability has been elected, the provisions of the policy regarding billing and payment of insurance premiums will apply to the additional benefits as well. Payments must be maintained or coverage will be terminated.

In accordance with all applicable state and federal laws, the Company reserves the right to terminate or change its health insurance and other benefit plans while an employee is on FMLA leave. In such event, the employees on FMLA leave will be notified of the termination or change and will be subject to the termination or change to the same extent as if the employee were not on leave.

Because FMLA is a statutory leave and must be coordinated with other legal requirements, approval and administration is handled strictly through Corporate Human Resources. Refer to the full policy for details on requirements for requesting FMLA, medical certification, reinstatement from leave, and extensions of FMLA.

Maximum Duration of Leave

The maximum duration of a leave of absence under the Company's policies (including any single or combination of leaves of absence provided for under these policies) is 90 days. No employee may be absent from and/or unable to work for more than 90 consecutive days regardless of the reason for the absence or inability to work (e.g., vacation, personal business, a family death, an employee's injury, illness or other medical condition, whether work-related or not). If an employee is absent and/or unable to work for more than 90 consecutive days, the employee will be removed from payroll and his/her employment shall be separated. Upon such separation of employment, the employee will be designated eligible for rehire, but shall have no employment or recall rights. To be considered for rehire, the discharged employee must apply for employment with the Company like any other applicant for employment. The discharged employee's rehire will depend upon whether an existing position for which he/she is qualified is vacant and whether he/she is the best qualified applicant for the position.

Leave taken under the Family and Medical Leave Act of 1993, or the Uniformed Services Employment and Reemployment Rights Act or leave granted as a reasonable accommodation to a qualified individual with a disability shall not count as a period of absence under this policy.

In determining whether an employee has reached the maximum of 90 consecutive days of absence, if, after an employee returns to work, the condition that caused the employee's absence recurs within thirty (30) calendar days and results in the employee's further absence, the period of further absence will be considered a continuation of the employee's original absence and the period of original absence and period(s) of further absence will be deemed periods of consecutive absence for purposes of enforcing this policy.

Employee Handbook Acknowledgment & Dispute Resolution, Arbitration & Mutual Waiver of Jury Trial

I have received and read my personal copy of GuardTexas' ("Company") Employee Handbook. Except for the policy of at-will employment, which can only be changed by a written agreement executed by the President, the provisions contained in the Dispute Resolution, Arbitration and Mutual Waiver of Jury Trial section of this handbook and this Acknowledgment, I understand that the policies and procedures contained within this handbook are subject to revision or revocation, with or without my prior knowledge, at any time and for any reason deemed necessary by management. I further understand that I am personally responsible for remaining knowledgeable of the contents of this handbook and all other posted or publicized the Company policies and procedures. I will familiarize myself with the information in this handbook, will seek verification or clarification from Corporate Human Resources where necessary, and will comply with all policies and requirements.

I AGREE THAT ANY AND ALL DISPUTES ARISING UNDER THE FAIR LABOR STANDARDS ACT, OR CLAIMING MISCLASSIFICATION OF EXEMPT STATUS, UNPAID OVERTIME, OR FAILURE TO PAY MINIMUM WAGE WILL BE RESOLVED BY MANDATORY, BINDING ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT AND USING THE AMERICAN ARBITRATION ASSOCIATION RULES FOR THE RESOLUTION OF EMPLOYMENT DISPUTES WITH THE EXCEPTION THAT THE ARBITRATOR SHALL NOT HAVE THE RIGHT OR AUTHORITY TO CONDUCT ANY ARBITRATION ON A CLASS, COLLECTIVE OR REPRESENTATIVE BASIS. ALL ARBITRATIONS COVERED BY THIS AGREEMENT SHALL BE CONDUCTED AS INDIVIDUAL CLAIMS AND EACH RESOLVED IN A SINGLE ARBITRATION BETWEEN THE EMPLOYEE AND COMPANY.

ALL DISPUTES BETWEEN EMPLOYEE AND COMPANY NOT COVERED BY THIS MANDATORY ARBITRATION AGREEMENT SHALL BE RESOLVED BY A COURT OF COMPETENT JURISDICTION SITTING WITHOUT A JURY AND COMPANY AND EMPLOYEE UNCONDITIONALLY AND IRREVOCABLY WAIVE THEIR RIGHT TO JURY TRIAL IN DISPUTES BETWEEN OR AMONG THEM.

The Company and each employee that signs this acknowledgment, receives a copy of this handbook, or has knowledge of this policy and continues to work for the Company thereafter, hereby waives their right to trial by jury and agree to have any disputes arising between them resolved by a judge of a competent court sitting without a jury or a single arbitration in a non-class or non-collective action proceeding.

I agree, as shown by my signature, to accept, endorse, and abide by all Company policies and procedures contained within this handbook and all other posted or publicized, written, or verbal Company policies and procedures.

Employee's Printed Name _____

Employee's Signature _____ Date: _____

/s__ GuardTexas_____