

MATRIX AEROSPACE CORPORATION



Employee Handbook

WELCOME TO MATRIX AEROSPACE

On behalf of myself and your new colleagues, welcome to Matrix Aerospace. We are happy to have you as a new member of our team!

Matrix Aerospace has earned a reputation as a leader in the industry. We are successful because of the individual contributions made by each of our employees. You were selected to join the Matrix Aerospace team because we feel you have the skills, ability and commitment needed to help us deliver the finest service available to our customers. Since founding Matrix Aerospace, we have held to a very simple philosophy: exceptional service to our customers in order to keep our customers. We want to ensure that these relationships continue well into the future.

We hope you will find your job challenging and rewarding and will enjoy with us the special feelings of satisfaction that comes with doing a job well.

This handbook will explain many of the benefits you will enjoy as a Matrix Aerospace employee and some of the rules and regulations that enable our company to run smoothly. If you have any questions, or if there is something we can do to help you succeed and grow with us, please feel free to reach out to a member of the management team.

We extend to you our personal best wishes for your success and career development as a member of Matrix Aerospace.

Sincerely,

Edward Farris
President

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YOUR HANDBOOK

PERSONNEL POLICY MANUAL

This handbook is designed to be a summary of personnel policies and practices as they apply to all Matrix Aerospace personnel. Although this handbook is not a contract or legal document, it does provide a working guide for use in understanding and applying all policies and practices. It is meant to be helpful to all employees and their supervisors.

The purpose of written policies is to establish guidelines for what you may expect from Matrix Aerospace and what Matrix Aerospace expects from you. However, since this is only a summary compiled for the convenience of our employees and supervisors, it is not intended to cover all topics or circumstances. We reserve the right to respond to specific situations in whatever manner we believe best suits the needs of Matrix Aerospace and the employee(s) involved. Please understand that circumstances may arise which require changes in the policies, practices and benefits described in this manual. Accordingly, Matrix Aerospace reserves the right to amend the contents as it deems appropriate.

Should any provision in this Employee Handbook be found to be unenforceable or invalid, such finding does not invalidate the entire Employee Handbook, but only that particular provision.

This Employee Handbook replaces and supersedes any and all other Matrix Aerospace Employee Handbooks, or other Matrix Aerospace policies, whether written or verbal.

This manual does not constitute a contract of employment or a guarantee of future employment for any particular period of time and should not be constructed as such.

All employees of Matrix Aerospace are employees at-will, unless the terms and conditions of your employment are otherwise specifically agreed to in a valid and enforcement written agreement.

MISSION STATEMENT

Matrix Aerospace succeeds by delivering outstanding performance.

We believe in service beyond expectation, achieved through a constant desire to anticipate and fulfill evolving customer needs.

The honesty, intelligence and commitment of our people are vital to Matrix Aerospace's mission. We share pride in the company and respect each individual's contribution at every level.

Exemplary customer relationships drive Matrix Aerospace's growth and prosperity.

Matrix Aerospace is dedicated to pushing the limits of excellence, standing at the forefront to provide the finest and healthiest environments attainable in the industry.

Matrix Aerospace always strives to exceed its best.

WHAT YOU CAN EXPECT FROM MATRIX AEROSPACE

Matrix Aerospace believes in creating a harmonious working relationship among all employees. In pursuit of this goal, Matrix Aerospace has created the following employee relations objectives:

1. Provide an exciting, challenging and rewarding workplace and experience.
2. Select qualified people on the basis of skill, training, ability, attitude and character regardless of age, sex, color, race, creed, national origin, religion, marital status, citizenship status, ancestry, sexual orientation, affectional preference, physical or mental disability, veteran status, or any other classification protected by law.
3. Review wages, employee benefits and working conditions regularly with the objective of being competitive in these areas consistent with sound business practices.
4. Provide eligible employees with Paid Time Off (PTO) and holidays consistent with the policy contained herein.
5. Provide eligible employees with health and welfare benefits consistent with the policy contained herein.
6. Assure employees, after talking with their manager, an opportunity to discuss any issue or problem with the management team, to the extent practicable.
7. Take prompt and remedial action in response to complaints brought to the attention of supervisory personnel and the management team, to the extent practicable.
8. Respect individual rights and treat all employees with dignity and respect.
9. Maintain mutual respect in our working relationship.
10. Provide a workplace that is comfortable, orderly and safe.
11. Promote employees on the basis of their ability and merit.
12. Keep employees informed of the progress of Matrix Aerospace as well as its overall goals and objectives.
13. Promote an atmosphere in keeping with Matrix Aerospace's vision, mission and goals.

WHAT MATRIX AEROSPACE EXPECTS FROM YOU

Matrix Aerospace needs your help in making each working day as satisfying and rewarding as possible. Your first responsibility is to know your own duties and how to do them promptly, correctly and pleasantly. Secondly, you are expected to cooperate with management and your fellow employees. This includes maintaining a good team attitude.

How you interact with fellow employees and those whom Matrix Aerospace serves, and how you accept direction can affect the success of your department. In turn, the performance of one department can impact the entire service offered by Matrix Aerospace.

Matrix Aerospace expects all employees to be responsible for their own actions and to maintain standards of performance and behavior that reflects Matrix Aerospace's status in the industry. It is your responsibility to make sure you understand the standard of performance and behavior expected, and to conduct yourself accordingly.

We believe in direct access to management. We are dedicated to making Matrix Aerospace a company where you can approach your manager, or any member of management, to discuss any problem or question. We expect you to voice your opinions and contribute your suggestions to improve the quality of Matrix Aerospace.

Remember, you help create the pleasant and safe working conditions that Matrix Aerospace intends for you. The result will be better performance for Matrix Aerospace overall and more personal satisfaction for you.

EMPLOYMENT POLICIES

STATEMENT OF MANAGEMENT RIGHTS

Matrix Aerospace retains its right to:

- Hire, terminate, transfer, or lay off employees
- Plan, direct, and control operations
- Direct, schedule, and discipline all employees
- Modify, suspend, or discontinue benefits (including employer contributions)
- Establish and administer rules and regulations concerning operations
- Introduce new and improved methods
- Organize, re-organize, combine, or discontinue departments
- Make any decision or adjustment in the best interest of Matrix Aerospace

EQUAL EMPLOYMENT OPPORTUNITY

Matrix Aerospace's continuing policy is to afford Equal Employment Opportunity to qualified individuals regardless of their race, color, sex, religion, age, creed, marital status, national origin, ancestry, physical or mental disability, sexual orientation, affectional preference, veteran status or citizenship status, or any other classification protected by law. This policy of equal opportunity encompasses all aspects of the employment relationships, including applications and initial employment, promotion and transfer, selection for training opportunities, wage/salary administration, recruiting, hiring, reassignments, sponsored training, compensation, benefits, layoff and rehires, termination of employment, recreation programs, and the application of services, retirement, seniority, employee benefit plan policies and other terms and conditions of employment as provided by law.

Matrix Aerospace, as part of its commitment to Equal Employment Opportunity, adheres to all City, State and Federal laws with respect to Equal Employment Opportunity.

However, if anyone feels that they have been treated unfairly in any aspect of their employment, we want to assure you that you have an opportunity to present your concerns. The Management Team for Matrix Aerospace will make special efforts to ensure that all supervisory personnel understand and effectively implement this policy.

Further, all complaints of discriminatory treatment in violation of this policy must be brought to the attention of management so that an internal investigation may be undertaken promptly. At the conclusion of an investigation and/or within a reasonable time thereafter, management will contact the employee(s) and communicate their findings, if appropriate. Any employee, including managers, involved in, or condoning, discriminatory practices will be disciplined up to and including termination.

All members of management are primarily responsible for seeing that Matrix Aerospace's Equal Employment policies are implemented, but all staff share in the responsibility for assuring that by their personal actions, the policies are effective and apply uniformly to everyone.

CUSTOMER RELATIONS

The success of Matrix Aerospace depends upon the quality of the relationships between Matrix Aerospace, our employees, customers, owner's representatives, and the general public. Our customers' impression of Matrix Aerospace and their interest and willingness to stay with us is greatly formed by the people who serve them. In a sense, regardless of your position, you are a Matrix Aerospace ambassador. The more goodwill you promote, the more our clients will respect and appreciate you, Matrix Aerospace, and our services.

Below are several things you can do to help give clients a good impression of Matrix Aerospace. These are the building blocks for our continued success.

1. Act competently and deal with clients in a courteous and respectful manner.
2. Communicate pleasantly and respectfully with other employees at all times.
3. Follow up on orders and questions promptly, provide businesslike replies to inquiries and requests, and perform all duties in an orderly manner.
4. Take great pride in your work and enjoy doing your very best.

These policies apply to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation benefits, social and recreational programs, and all other conditions and privileges of employment in accordance with applicable federal, state and local laws.

ORIENTATION

Matrix Aerospace provides a brief orientation at the time you begin employment and fill out your paperwork. In addition, a formal group orientation meeting is held periodically. You will be notified as to when you should attend this meeting. However, your department is primarily responsible for ensuring that you have what you need in order to perform your job appropriately.

Your first few weeks on the job are very important, and starting any new job requires a period of adjustment. You will meet many people and learn new procedures. To gain a thorough knowledge of the operations of Matrix Aerospace, it is essential that you ask questions. During busy times, make a note of questions you have, and discuss them later with your manager. Take the initiative to learn all you can, because those who are successful in this dynamic business never stop learning and adding to their store of knowledge.

IMMIGRATION LAW COMPLIANCE

All offers of employment are contingent on verification of your right to work in the United States. On your first day of work you may be asked to provide original documents verifying your right to work and, as required by federal law, to sign a Federal Form I-9, Employment Eligibility Verification Form. If you at any time cannot verify your right to work in the United States, Matrix Aerospace may be required to terminate your employment and take such other action as required by law.

EMPLOYEE RECORDS

Your employee records are maintained by Human Resources. It is important that the following information be kept up-to-date.

- Legal name
- Home address
- Home telephone number
- Person to contact in case of emergency
- Change of beneficiary
- Social Security number
- Driving record or status of driver's license, if driving privileges are a part of your job responsibilities.
- Exemptions on your W-4 tax form.
- Training certificates or licenses maintained

Please be sure to notify Human Resources if there are any changes which may affect the above, so your records can be updated accordingly.

OPPORTUNITIES FOR ADVANCEMENT

It is our policy to provide opportunities for promotion to our employees that are within our Equal Employment Opportunity guidelines.

While there is no formal career development policy, the first criterion for any promotion is to consistently do a good job in your current assignment. Secondly, you must let your manager know you are interested in more responsibility and discuss methods for your development. Continuing your education is another positive step. Human Resources and Management can help you explore other factors affecting your career development.

NON-HARASSMENT POLICY

Matrix Aerospace strives to provide a work environment that is pleasant, professional, and free from intimidation, hostility or other offenses which might interfere with work performance. Harassment of any sort - verbal, physical, visual - will not be tolerated.

1. What is Harassment?

Workplace harassment can take many forms. It may be, but is not limited to, words, signs, offensive jokes, cartoons, pictures, posters, e-mail jokes or statements, pranks, intimidation, physical assaults or contact, or violence. Harassment is not necessarily sexual in nature. It may also take the form of other vocal activity including derogatory statements not directed to the targeted individual but taking the place within their hearing. Other prohibited conduct includes written material such as notes, photographs, cartoons, articles of a harassing or offensive nature, and taking retaliatory action against an employee for discussing or making a harassment complaint.

2. Responsibility

All employees, regardless of their position(s), have a responsibility for keeping our work environment free of harassment. Any employee, who becomes aware of an incident of harassment, whether by witnessing the incident or being told of it, must report it to their immediate supervisor, management, or human resources. When management becomes aware of the existence of harassment, it is obligated by law to take prompt and appropriate action, whether or not the victim wants Matrix Aerospace to do so.

3. Reporting

Any incidents of harassment must be immediately reported to their immediate supervisor, management, or human resources. Upon receiving a report of harassment, an appropriate investigation and disciplinary action will be taken, if appropriate. All reports will be promptly investigated with due regard for the privacy of everyone involved. However, confidentiality cannot be guaranteed. Any employee found to have harassed a fellow employee or subordinate will be subject to severe disciplinary action up to and including termination. Matrix Aerospace will also take any additional action necessary to appropriately remedy the situation. Retaliation of any sort will not be permitted. No adverse employment action will be taken for any employee making a good faith report of alleged harassment.

SEXUAL HARASSMENT POLICY

1. Statement of Purpose and Scope

Matrix Aerospace is committed to maintaining a work environment free of unlawful discrimination and harassment, and therefore, has zero tolerance for workplace sexual harassment.

Sexual harassment consists of any unwelcome conduct, whether verbal, visual or physical, that is based upon a person's gender. Such conduct is unlawful and prohibited.

Sexual harassment undermines the integrity of the employment relationship. All employees have the right to work in an environment free from unsolicited and unwelcome sexual overtures. Matrix Aerospace will not tolerate any form of gender-based or sex-based discrimination, including any kind of sexual harassment against any employee or applicant for employment. Such discrimination violates federal and state law, and Matrix Aerospace's Sexual Harassment Policy.

2. Definition

Sexual harassment consists of unwelcome sexual advances, requests for sexual favors, and other verbal, visual, and physical conduct of a sexual nature whenever:

- a. Submission to the conduct is made either in explicit or implicit condition of employment;
- b. Submission to or rejection of the conduct is used as the basis for an employment decision affecting the harassed employee; or
- c. Harassing conduct unreasonably interferes with an employee's work performance or creates an intimidating, hostile, or offensive working environment.

3. Examples of Conduct Constituting Sexual Harassment

Sexual harassment can involve an almost infinite variety of conduct. Such examples include but are not limited to the following:

- a. Unwelcome physical contact with sexual overtones;
- b. Sexually offensive comments such as slurs, jokes, epithets, and innuendos;
- c. Inappropriate, repeated, or unwelcome sexual flirtations, advances, or propositions;
- d. Inappropriate or suggestive comments about another person's physical appearance, characteristics or dress;
- e. Exchanging or offering to exchange any kind of employment benefit for a sexual concession, e.g., promising a promotion or raise in exchange for sexual favors; or
- f. Withdrawing or threatening the withdrawal of any kind of employment benefit for refusing to grant a sexual favor.

4. Applicability of Policy

The prohibition against sexual harassment applies to everyone – managers, supervisors, salaried and hourly workers, temporary employees, contractors, vendors and visitors. Matrix Aerospace will not tolerate sexual harassment of any kind by anyone.

5. Reporting Sexual Harassment

Any employees who believe that they have been sexually harassed should report the incident to their immediate supervisor. If you consider a discussion with your immediate supervisor inappropriate, you may bypass your supervisor and report the incident directly to management or human resources.

Complaints of sexual harassment will be investigated thoroughly and quickly. Whenever appropriate, disciplinary action will be taken against the harassing party, up to and including termination. Matrix Aerospace will also take appropriate action to deter further sexual harassment. You will be advised of the results of the investigation and of any action taken, if appropriate.

Employees, supervisors, and managers must report any incident of sexual harassment they may observe, even if they are not the target or victim of such harassment. Such reports will be handled in the same fashion as complaints by victims of sexual harassment.

6. Confidentiality

Any allegation of sexual harassment brought to the attention of their immediate supervisor or management will be promptly investigated. Confidentiality will be maintained throughout the investigatory process, to the extent practicable under the circumstances.

7. Discipline for Engaging in Sexual Harassment

Any employee found to have engaged in misconduct constituting sexual harassment will be subject to appropriate discipline, up to and including termination. Additional action may include: referral to counseling, withholding of a promotion, reassignment, and temporary suspension without pay or financial penalties.

This policy is designed to protect all employees from sexual harassment in any way associated with the workplace or work environment, regardless of the identity or status of the harasser. Although Matrix Aerospace's ability to discipline a non-employee harasser may be limited by the degree of control, if any, that it has over the alleged harasser, any employee who believes that they have been subjected to sexual harassment should file a complaint and be assured that appropriate action will be taken.

8. Protection Against Retaliation

Matrix Aerospace will not in any way retaliate against any employee who makes a complaint of sexual harassment or against any participant in the investigation, nor will it permit any supervisor or employee to do so. Retaliation is a serious violation of this sexual harassment policy and should be reported immediately. Any employee found to have retaliated against another employee for reporting sexual harassment will be subject to the same disciplinary action described above.

Further, any employee who makes an intentional or reckless false complaint also will be subject to the same disciplinary action as described above.

EMPLOYEE ABSENTEEISM POLICY

We define an absence as failure to report and remain at work as scheduled; this includes late arrivals to work and leaving early, as well.

You are expected to report to work on time, on a regular basis. Unexcused and excessive absences will result in disciplinary action, up to and including suspension or termination. It will also have an adverse effect on any promotion considerations.

If you are going to be late or absent for any reason, you are required to notify your supervisor as far in advance as possible. Explain why you are going to be absent and when you expect to return to work.

NOTE: It is your responsibility to insure that proper notification is given. Asking another employee, friend, or relative to give this notification is not considered proper, except under emergency conditions.

SMOKING AND TOBACCO POLICY

Matrix Aerospace would like to make sure we are accommodating all of our employees, tobacco user or non-tobacco user. Matrix Aerospace is NOT a smoke-free work place, however you are responsible to comply with the policy.

Smokers are required to refrain from smoking indoors, and all shared and public spaces, including:

- common work areas not separated by floor to ceiling walls; hallways
- restrooms
- waiting areas
- entry ways or doorways
- company vehicles

Smoking is permitted only in:

- the designated smoking area, located outside the door nearest the Quality Assurance Office and to the left (River Road Location).
- the designated smoking area, located outside the receiving door and 10-feet to the right (Washington Street Location)
- your vehicle

It is the smoker's responsibility to ensure that there are no cigarette butts on the ground or anywhere other than the designated ashtray. Every effort must be made to limit the drift of second hand smoke into prohibited areas.

Employees may chew tobacco anywhere as long as:

- it does not affect your ability to perform your job
- you maintain a safe and clean work environment (i.e. make sure you're spitting in a closed container, not on the floor or anywhere else)
- when disposing of your spit container, the cap on the container is closed so it doesn't leak in the trash can.

Any problems regarding this policy should be addressed to management. Please remember to observe this policy and respect the rights of your co-workers, both smokers and non-smokers. A retaliatory act against employees exercising their rights under this Act is strictly prohibited.

ALCOHOL & SUBSTANCE ABUSE

All employees are expected to come to work in a condition fit to perform their duties.

Matrix Aerospace prohibits at all times the unlawful manufacture, sale, distribution, use, dispensation, receipt, transportation or possession of illegal drugs or unauthorized control substances on the company's premises or while engaged in business for the company off the premises. Matrix Aerospace also prohibits the unauthorized use of alcoholic beverages on the premises. Further, it is a violation of Matrix Aerospace's policy for anyone to engage in work for the company or to report to work in any impaired or intoxicated condition or under the influence of alcohol, drugs, or illegal substances.

You may use your own physician-prescribed medications; as directed, provided that the use of such medications does not adversely affect your job performance, your safety, or the safety of others.

This policy applies to all regular and part-time employees and temporary workers of Matrix Aerospace as well as to all consultants, vendors, and other individuals providing services to the company at any time on the premises or while engaged in business for the Matrix Aerospace.

Employees may be required to submit a pre-employment drug screen at the designated testing facility. Employment is contingent upon results of the drug screen.

Employees may be required to submit to a drug and alcohol screening if involved in an on-the-job accident.

Employees may be required to submit to random drug and alcohol abuse screenings.

DISCIPLINARY PROCEDURE

Serious infringement of any of these policies will result in disciplinary action, up to and including immediate termination of employment.

HOURS OF WORK & COMPENSATION

EMPLOYMENT CLASSIFICATION

Full-Time Employees

An employee who works at least 35 hours per week is considered a full-time employee. Full-time employees are eligible to receive the company's fringe benefits package. Please contact human resources for details.

If you were a full-time employee and have been on an approved leave of absence, upon return you will be considered a full-time employee, provided you return to work as agreed in the provisions of your leave.

Part-Time Employees

An employee who works less than a regular 35 hour work week is considered a part-time employee. Please contact human resources for details.

“Non-Exempt” and “Exempt” Employees

At the time you are hired, all employees are classified as either “exempt” or “non-exempt.” This is necessary because, by law, employees in certain types of jobs are entitled to overtime compensation for hours worked in excess of forty (40) hours per work week, not including vacation, sick, or holiday hours. These employees are referred to as “non-exempt” in this employee handbook.

Exempt employees are supervisors, executives, managers, officers, directors, owners and others whose duties and responsibilities allow them to be “exempt” from overtime pay provisions as provided by the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. If you are an exempt employee, you will be advised that you are in this classification at the time you are hired, transferred or promoted.

WORK SCHEDULE

Work schedules for employees vary throughout the company. Operational demands may make it necessary for occasional changes in starting and ending times and in the total hours that may be needed each day and week in order to meet the varying demands of our business. Your manager will inform you of your hours, as well as how to utilize the time clock.

To maintain efficiency, you are expected to be ready to start work at the established starting time and remain at work for the entire work period, excluding meal periods. Hours for each shift are as follows:

- First Shift: 6:45 A.M. – 3:00 P.M.
- Second Shift: 2:45 P.M. – 11:00 P.M.
- Thirds Shift: 10:45 P.M. – 7:00 A.M.

Schedules for each shift are subject to change at any time. If you are needed to come in or leave at a different time, your direct supervisor will notify you of the scheduled change.

Should an unavoidable circumstance cause you to be late, notify your manager of your anticipated arrival time. If it's necessary for you to leave work because of a personal emergency, you must inform your manager before leaving. Please see the Employee Absenteeism Policy for details.

BREAK POLICY

All employees are given the opportunity to take a paid scheduled 10 minute rest break two hours after their shift starts, a 30 minute meal break (unpaid) after five consecutive hours of work, and a paid scheduled 10 minute break seven hours after their shift starts. **EMPLOYEES ARE REQUIRED TO PUNCH OUT FOR THEIR 30 MINUTE BREAK.** The paid breaks and unpaid meal breaks are scheduled (in order), by shift, as follow:

- First Shift: 9:00 A.M. – 9:10 A.M., 12:00 P.M. – 12:30 P.M., 2:00 P.M. – 2:10 P.M.
- Second Shift: 5:00 P.M. – 5:10 P.M., 7:00 – 7:30 P.M., 10:00 P.M. – 10:10 P.M.
- Third Shift: 1:00 A.M. – 1:10 A.M., 3:00 A.M. – 3:30 A.M., 6:00 A.M. – 6:10 A.M.

THERE ARE NO EXCEPTIONS TO THE ABOVE SCHEDULE, UNLESS YOUR DIRECT SUPERVISOR SCHEDULES YOUR BREAK FOR A DIFFERENT TIME. Employees may also eat at their work station if it doesn't affect their job performance. Employees may use the facilities as needed. Employees may NOT take their break in increments (for example, taking two five-minute smoke breaks is a violation of this policy). It is imperative that you notify your line supervisor that you are leaving your work station for any reason, even during your scheduled paid breaks.

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

TIMEKEEPING PROCEDURES

All employees are required to record all hours they work. You must record your entry/exit at the beginning and end of every shift and at the beginning and end of every meal period. In addition, if you leave the premises for any other reason, you must record your entry/exit upon your departure and your return. If you have any missed punches or vacation request, you must notify Human Resources by 7am Monday morning. Any errors that are brought to the attention of Human Resources after that time cannot be corrected until the following pay week.

NOTE: Once you are punched in, you must be ready to work. This means that any personal business you need to attend to, such as putting items in the fridge, must be done BEFORE you punch in, not after.

Please comply with our procedure to ensure that you are paid accurately and on a timely basis.

Employees are prohibited from engaging in any conduct to falsify their own or another employee's hours worked. Tampering, altering or falsifying time records, or recording time on another employee's attendance roster or time record is a serious infraction of policy and may result in disciplinary action, up to and including termination.

If you have any questions about these timekeeping procedures, please contact Human Resources.

OVERTIME PAY

From time to time, it may be necessary for you to perform overtime work in order to complete a job on time. Overtime will be paid at a rate of 1.5 times your base pay. **All overtime must be approved by your supervisor.** When it is necessary to work overtime, you are expected to cooperate as a condition of your employment. There are two types of overtime work:

1. Scheduled Overtime: Scheduled overtime work is announced in advance and generally will involve an entire department or operation. This type of overtime becomes part of the required work week of the people who are members of the department or operation. If you need to be excused from performing scheduled overtime, please speak with your supervisor. He/she will consider your situation and the requirements of the department or operation in deciding whether you may be excused from performing the scheduled overtime.

2. Incidental Overtime: Incidental overtime is not scheduled; it becomes necessary in response to extenuating circumstances. It is extra time needed to complete work normally completed during regular hours. Incidental overtime may become necessary when an illness or emergency keeps co-workers from being at work as anticipated. It may require you to return to the workplace as needed. The opportunity to perform incidental overtime will be given first to

the employee who normally performs the task. If that employee cannot perform the overtime, the supervisor will offer the overtime to a suitably qualified person who is available to perform the overtime work.

ANNIVERSARY DATE

The first day you report to work becomes your “official” anniversary date. In case you were hired on a temporary basis and converted to permanent status, your anniversary date will be the first day that you were paid by Matrix Aerospace as a regular, full-time employee. Your anniversary date is used to compute various conditions of employment and benefits described in this Employee Handbook.

PERFORMANCE APPRAISALS

While you are urged to discuss your performance and goals with your manager informally on a regular basis, your manager may schedule a formal performance appraisal discussion with you at least once a year. Performance also may be reviewed at a time to be determined by your manager if you are being considered for promotion or transfer, or on completion of their first three months of service.

During a formal performance review process, your manager is encouraged to cover the following areas:

- The quality and quantity of your work.
- Strengths and areas for improvement.
- Attitude and willingness to work.
- Initiative and teamwork.
- Attendance.
- Customer service orientation.
- Problem solving.
- Ongoing professional growth and development.

A performance appraisal gives you a chance to discuss your duties and responsibilities with your manager and learn how your manager feels about the quality of your work, your progress in attaining department goals and what will be expected of you during the next appraisal period. It gives you the opportunity to ask questions, learn about the objectives to be achieved, and explore directions for your career.

PAY DAY AND YOUR CHECK

The pay period at Matrix Aerospace is weekly and starts Sunday and ends on Saturday. Changes will be made and announced in advance whenever Matrix Aerospace holidays or closings interfere with the normal pay schedule.

Your paycheck will include earnings for all work performed through the end of the previous pay period. Your pay is subject to all deductions required by law, federal tax, social security payment, and state and local income taxes, as applicable. The amount of the deductions will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. If you wish to modify this number, please request a new W-4 form from Human Resources. Only you may modify your W-4 form. Verbal or written instructions are not sufficient to modify withholding allowances. We advise you to check your pay stub to ensure that it reflects the proper number of withholdings.

The W-2 form you receive annually reflects how much of your earnings were deducted for these purposes. Any other mandatory deductions to be made from your paycheck, such as court ordered garnishments, will be explained whenever Matrix Aerospace is ordered to make such deductions. Questions about your pay and your deductions should be discussed with your manager or Human Resources. Do not discuss your pay with co-workers.

Should there be an underpayment of any kind, we will make every effort to repay you as quickly as possible. In the event that there is an overpayment of any kind, it is your responsibility to bring this to the attention of the Human Resources.

TIME OFF & LEAVES OF ABSENCE

TRAINING PERIOD

Your first ninety (90) days of employment are considered your training period. During this time, your manager and co-workers will make every effort to help you achieve a satisfactory job performance. Should you change positions for any reason during the course of your employment with Matrix Aerospace, you will commence a new ninety (90) day training period. Employees whose performance is not satisfactory may be terminated at any time during the training period. Matrix Aerospace reserves the right to extend the training period at its discretion.

HOLIDAYS

Unless otherwise provided, Matrix Aerospace pays full-time employees for the following holidays.

- New Year's Day
- President's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve
- Christmas Day

To be eligible for holiday pay, you must be employed for one hundred and eighty days (six months), and must be in regular pay status the day before and after the holiday, unless the employee is on an approved day off, in accordance with standard Matrix Aerospace policy. Employees working less than one hundred and eighty days are eligible for Holiday Pay only if they work on the scheduled Holiday. (For example, if you are out sick on the day before or after a holiday you will not be paid for the holiday unless you provide a doctor's note or your immediate supervisor approves payment for the day.)

Holidays falling on a Saturday will normally be observed the preceding Friday. Holidays falling on a Sunday will normally be observed on the following Monday.

PAID TIME OFF (PTO)

Unless otherwise provided, paid time off under this policy may be used for instances such as vacation, medical reasons, (i.e., personal, spouse, parent, child) or other personal business.

Unless otherwise provided, the amount of paid time off that any employee can receive in one calendar year increases with the length of employment as shown with the following schedule:

- (1) After six months of service from an employee's anniversary date – 1.85 hours/week.
- (2) After five years of service from an employee's anniversary date – 2.62 hours/week.
- (3) After ten years of service from an employee's anniversary date – 3.07 hours/week.

When you have met the eligibility requirements, submit a written vacation request to your manager to schedule your paid time off. Requests are evaluated based upon various factors, including anticipated operating requirements and staffing consideration. Your paid time off pay is based on your pay rate in effect when your vacation is used and does not include bonuses or other special forms of compensation.

MEDICAL LEAVES OF ABSENCE

Unpaid Leave of Absence

Under emergency circumstances (for medical, personal, or other reasons) you may need to be temporarily released from the duties of your job with Matrix Aerospace. It is the policy of Matrix Aerospace, to allow its eligible employees to apply for and be considered for certain specific leaves of absence.

Unless otherwise provided, time off for any reason during a working day will count first against your allotted paid time off. Thereafter, unless specifically exempted, any time off will be without pay.

Failure to return to work as scheduled from an approved leave of absence or to inform your project executive or department head of an acceptable reason for not returning as scheduled will be considered a voluntary resignation of employment.

All requests for leaves of absence shall be submitted in writing to management. Each request shall provide sufficient detail such as the reason for the leave, the expected duration of the leave, and the relationship of family members, if applicable.

Disability Leave of Absence (including leaves of absence due to maternity or pregnancy)

Unless otherwise provided, Matrix Aerospace may grant an unpaid leave of absence for illness, disability or pregnancy. To request a disability leave of absence from Matrix Aerospace, you must submit a statement of ill health or disability from your doctor. (Pregnancy is treated, for the purposes of this policy, the same as an illness or disability.) Whenever possible, you are required to give as much notice as possible of your pending need for a disability leave of absence.

In the case of pregnancy, please inform your supervisor or departments head as soon as possible of the date you and your doctor anticipates that you will begin your leave. Your job status will

be protected in that we will make every effort to hold your position open, or return you to a similar position if one is available, for which you may be qualified.

At the time the disability leave begins, any accrued PTO will be used. These benefits do not continue to accrue during a leave of absence. This policy applies to all employees. Your group insurance booklet should be reviewed to determine your insurance coverage during a leave of absence.

Employees who must remain away from work for more than the period of time allowed above will be considered terminated from employment. They are welcome to re-apply subject to Matrix Aerospace's usual hiring policies.

Employees who develop a physical condition which requires medical treatment or restrictions and precautions will be required to submit a physician's statement. This statement must give approval that continued full-time employment in his/her present position will not jeopardize his/her health or the safety of others, in the event she/he continues to work. A similar statement is required upon return from a disability leave.

Insurance Premium Payment During Leave of Absence

Matrix Aerospace will continue to pay its share of insurance premiums for employee coverage and dependent coverage for a maximum of 3 months while you are on a disability leave of absence. While you are on any other type of unpaid leave of absence from Matrix Aerospace, you will be responsible for paying the total premiums for your coverage and that of your dependents. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier to allow your coverage to be reinstated. Please consult with Management to set up a payment schedule.

BEREAVEMENT LEAVE

Recognizing that a time of bereavement is very difficult, every effort will be made to ensure that a bereaved employee is able to attend to family matters. Employees should notify their manager of this situation immediately.

Absence due to a death in the immediate family will be paid to full-time employees, that have worked for six consecutive months, for up to three (3) business days. The immediate family is the employee's parents, step-parents, spouse, domestic partner, child(ren), sibling, grandparents, grandchildren, spouse's parents, step-child(ren) or step-siblings.

Any available paid time off can be used in addition to bereavement pay at this time with the approval of your manager. Additional unpaid time off will be granted to allow for any arrangements associated with the death that must be made.

Funeral leave pay will only be made to employees for actual time spent away from work for the funeral or its arrangements. For example, if the death occurs at a time when work is not

scheduled, payment will not be made. If a holiday or part of your vacation occurs on any of the days of absence, you may not receive paid time off in addition to paid funeral leave.

JURY DUTY

We encourage you to fulfill your civic responsibility by serving on a jury when required to do so. You will be granted up to two weeks of paid jury duty leave over any two year period. If you are required to serve beyond that period, you may use any available paid time off due you or you may request an unpaid leave of absence.

If you are called for jury duty, you must notify your immediate supervisor within forty-eight (48) hours of receipt of the jury summons so that arrangements can be made to accommodate your absence. Human Resources must receive a copy of the summons to arrange for your pay. Of course, you are expected to report to work whenever the court schedule permits. Managers may also request that employees in jury duty telephone them daily to discuss work issues.

Employees called for jury duty are expected to take all action necessary – up to and including requesting a deferral – to ensure that their absence does not impede Matrix Aerospace’s ability to perform on a business as usual basis.

Unless otherwise provided, your insurance benefits will remain in effect and unchanged. Paid time off will continue to be earned as per Matrix Aerospace policy during the full term of your jury duty.

NATIONAL GUARD OR MILITARY LEAVE

If you are a member of a National Guard or Reserve Unit, you may take the time required for training. Leave is normally for two weeks, but in exceptional cases may be as long as seventeen calendar days. Leave of this nature is unpaid. However, you may elect to use your paid time off, if you wish.

You may also take military leave in accordance with applicable law if you are inducted into or enlisted in the Armed Forces of the United States or are called to active duty as a member of a Reserve Unit.

Please be sure to inform your manager of your absence for National Guard or Military Reserve Leave, as far in advance as possible.

According to this policy, and consistent with state and federal law, time spent on military leave will be counted as continuous service for the purpose of computing service awards and

determining your eligibility for various benefits plans. However, some of your benefits may be affected by your leave, as follows:

Job Reinstatement

Following a military leave and application for reinstatement, every effort will be made to reinstate you to the same job or job level you would have reached had military leave not occurred. This is in accordance with applicable federal and state laws. If no such position is available, management will attempt to place you in a similar assignment with another department. If this is impossible, your original department must re-employ you on an overstaff basis until an appropriate position is available with the department or elsewhere in the company.

YOUR BENEFIT PACKAGE

Matrix Aerospace is committed to sponsoring a comprehensive benefits program for all eligible employees. In addition to receiving a competitive salary and having an equal opportunity for professional development and advancement, you may be eligible to enjoy other benefits which will enhance your job satisfaction.

A good benefits program is a solid investment in Matrix Aerospace's employees. Matrix Aerospace will periodically review the benefits program and will make modifications as appropriate based on maintaining a competitive level of benefits as well as Matrix Aerospace's ability to pay for them. Matrix Aerospace reserves the right to modify, add or delete the benefits it offers.

MEDICAL, DENTAL, AND LIFE INSURANCE

All permanent, full-time employees are eligible to join the Group Health Insurance Plan offered by Matrix Aerospace. Employees enrolled in the Group Health Insurance Plan will have deductions made each week from their paycheck.

New employees must be employed for at least thirty continuous days to be eligible to join the Group Insurance Plan. Sign up for the Group Health Insurance Plan is only available on the first of the month after completion of the 90 days of continuous employment. Employees who later decide to join are only eligible to sign up for the Group Health Insurance Plan annually during the open enrollment period during the month of November. It is the employee's responsibility to apply for coverage with the Group Health Insurance Plan within the eligibility period, or during the open enrollment period once a year. Enrollment forms are available from the office manager.

The company will pay 50% of the employee's health insurance cost and 50% of the employee's dependent's health insurance cost that is purchased through the Matrix Aerospace Insurance Plan. Matrix Aerospace offers three options for health insurance with varying deductibles. See Human Resources for a Summary of Benefits for the three options.

Dental insurance is 100% employee paid.

A \$25,000 Basic Life and AD&D Insurance Policy is available to all employees who regularly work at least 30 hours per week on the first of the month after 90 days of continuous employment. This benefit is 100% employer paid and is no charge to the employee. Additional Basic Life AD&D can be purchased and is 100% employee paid. The cost is variable by age. See Human Resources for pricing on Additional Life and AD&D.

The cost for group insurance beginning November 1, 2012 is as follows:

| | Full Monthly Cost | Weekly Payroll Deduction |
|--------------------------------|----------------------|--------------------------|
| Employee Only MTVP27VD | \$ 420.74 | \$ 48.55 |
| Employee & Spouse MTVP27VD | \$ 933.63 | \$ 107.73 |
| Employee & Child(ren) MTVP27VD | \$ 849.91 | \$ 98.07 |
| Family MTVP27VD | \$ 1279.07 | \$ 147.59 |
| Employee Only MTVP25VD | \$ 469.72 | \$ 54.20 |
| Employee & Spouse MTVP25VD | \$ 948.85 | \$ 120.27 |
| Employee & Child(ren) MTVP25VD | \$ 1042.34 | \$ 109.48 |
| Family MTVP25VD | \$ 1427.97 | \$ 164.77 |
| Employee Only PBV63VD | \$ 574.79 | \$ 66.32 |
| Employee & Spouse PBV63VD | \$ 1275.46 | \$ 147.17 |
| Employee & Child(ren) PBV63VD | \$ 1161.08 | \$ 133.97 |
| Family PBV63VD | \$ 1747.37 | \$ 201.62 |
| Dental Employee Only | \$ 85.45 | \$ 19.72 |
| Dental Employee +1 | \$ 149.13 | \$ 34.42 |
| Dental Employee +2 or More | \$ 259.54 | \$ 59.89 |

Human Resources will provide eligible employees with booklets which describe your coverage under the Plan in detail and can answer questions you may have.

Please note that all medical insurance benefits are subject to change at any time at Matrix Aerospace's discretion.

401(k) PLAN

All employees are eligible for the Matrix Aerospace 401(k) plan after three consecutive months of service. A 401(k) plan is a retirement account to which the employee contributes to, on which taxes are deferred until withdrawal, and for which the employee usually selects the types of investments. You will be automatically enrolled into the 401(k) plan after three months of employment, unless you opt out of the coverage. For full details on the Matrix Aerospace 401(k) retirement plan, please contact Human Resources.

GOVERNMENT REQUIRED COVERAGE

Workers' Compensation

All employees are entitled to workers' compensation benefits. This coverage is automatic and immediate and protects you from an on-the-job injury. An on-the-job injury is defined as an accidental injury suffered in the course of your work, or an illness which is directly related to performing your assigned job duties. This job-injury insurance is paid for by Matrix Aerospace. If you cannot work due to a job-related injury or illness, workers' compensation insurance pays your medical bills.

All injuries or illnesses arising out of the scope of your employment must be reported to your job site superintendent or supervisor immediately. Prompt reporting is the key to prompt benefits. Benefits are automatic, but nothing can happen until Matrix Aerospace knows about the injury. Please have your job site supervisor inform Human Resources so they can report the incident to our insurance company.

Unemployment Compensation

Depending upon the circumstances, employees may be eligible for unemployment compensation upon termination of employment with Matrix Aerospace. Eligibility for unemployment compensation is determined by the Division of Unemployment Insurance of the State Department of Labor.

Unemployment compensation is designed to provide you with a temporary income when you are out of work through no fault of your own. For your claim to be valid, you must have a minimum amount of earnings determined by the State, and you must be willing and able to work. You should apply for benefits through the local State Unemployment Office as soon as you become unemployed.

Social Security

The United States Government operates a system of mandated insurance known as Social Security. As a wage earner, you are required by law to contribute a set amount of your weekly wages to the trust fund from which benefits are paid. As your employer, Matrix Aerospace is required to deduct this amount from each paycheck you receive. In addition, Matrix Aerospace

matches your contribution dollar for dollar, thereby paying one-half of the cost of your Social Security benefits.

Your Social Security number is used to record your earnings. You are encouraged to protect your Social Security record by ensuring your name and Social Security number on your pay stub and W-2 form are correct. You may also want to make sure your earnings statement is accurate each year by requesting a Personal Earnings and Benefit Estimate Statement from the U.S. Social Security Administration by calling 1-800-772-1213 or you may even access them on-line at www.ssa.gov.

EMPLOYEE EQUIPMENT LOANS

A non-interest bearing short-term loan in the amount up to \$300 is available to full-time Matrix Aerospace employees who meet the general eligibility requirements. Loans will be applied upon approval. You may only receive one loan at a time.

The purpose of this program is to provide funds to eligible employees to assist with the costs of purchasing equipment that may be used for work related equipment that has been cleared by quality control.

Please see Human Resources for more information or a loan application.

NRA REIMBURSEMENT PROGRAM

Matrix Aerospace offers eligible employees a reimbursement for a one-year NRA membership. To be eligible, employees must have continuous employment for 90 days. Please see Human Resources for more information.

RULES & REGULATIONS

TEAMWORK AND SERVICE TO THE CUSTOMER

As you learned from our Mission Statement, excellent service to our customers is a primary goal. Our success is a result of consistently performing beyond our clients expectations.

To perform at this level, it is essential that all Matrix Aerospace employees/departments operate as a team. Whatever your job function, you are a member of the team that services clients because all of our jobs are related to and dedicated to that end. We expect you to set high standards for yourself, in the job you do, the way you communicate and the manner in which you interact with others.

ETHICAL STANDARDS

Matrix Aerospace strives to maintain the highest standards of personal and business ethics and corporate conduct. As an employee, you are required to do the same. Your daily activities on behalf of Matrix Aerospace should always be carried out in an ethical and legal manner, and conflicts of interest should be avoided.

GUIDELINES FOR CONDUCT

Every organization requires a set of rules so that the group as a whole may operate smoothly and safely to accomplish its goals. This is particularly so at Matrix Aerospace, where any failure to adhere to high standards of conduct may affect the well-being of employees, vendors, and customers. Because the safety and comfort of everyone depends on these rules, violators may be subject to discipline up to and including discharge. We ask the cooperation of all employees of Matrix Aerospace in the observance of these policies.

Additional standards of conduct are contained elsewhere in this Employee Handbook. Obviously, it is not possible to list every type of conduct which may result in disciplinary action. You should, therefore, talk to your supervisor if you are unsure of what to do in a given situation. The following kinds of conduct are absolutely prohibited:

1. Abuse, mistreatment, or threatening of a customer or another employee; physical, verbal, or psychological.
2. Falsification of employment application or other employee records.
3. Insubordination.
4. Using foul and/or abusive language.
5. Gambling on Matrix Aerospace's premises.
6. Smoking in any unauthorized area.
7. Loafing or sleeping on the job during the employee's working hours.
8. Soliciting tips or gratuities from patients or visitors.
9. Unauthorized posting or removal of bulletins or notices.
10. Disregard of one's appearance, uniform, dress or personal hygiene.
11. Dishonesty.
12. Commission of a crime.

13. Violation of any and all safety rules.
14. Falsifying another employee's time card, signing in or reporting time of arrival or time of departure for another employee, or requesting another employee to register time on a time card or sheet other than your own.
15. Tardiness or absenteeism or unauthorized absence by an employee from his or her work station during an employee's working time.
16. Leaving one's work area without authorization or interfering with the work of other employees.
17. Stealing company time.
18. Immoral, indecent or disorderly conduct of any nature, or lending money for interest on Matrix Aerospace's premises.
19. Unauthorized use and/or possession of narcotics, dangerous drugs, intoxicating beverages or substances, or being under the influence of intoxicants or drugs on premises or during working hours.
20. Threatening, intimidating, coercing or fighting with another employee or a customer by word or deed, whether on or off Matrix Aerospace's premises.
21. Any discourtesy, unkindness or impatience with customers or with any member of the public visiting Matrix Aerospace.
22. Creating or contributing to unsafe or unsanitary condition by act or omission or engaging in "horseplay" while on Matrix Aerospace property.
23. Unauthorized possession of property belonging to Matrix Aerospace, of another employee or of a customer or visitor to Matrix Aerospace.
24. Negligent or deliberate destruction of or misuse of property belonging to Matrix Aerospace or to a customer or visitor to Matrix Aerospace.
25. Failure to follow the rules concerning solicitation and/or distribution of literature.
26. Unauthorized possession, use, copying or reading of Matrix Aerospace's records, or disclosure of information contained in such records to unauthorized persons.
27. Poor attitude or disrespect to management, your supervisor, the customers or visitors to Matrix Aerospace.

28. And any act of misconduct, incompetence, or any violation of this Employee Handbook which may, in management's sole discretion, be grounds for disciplinary action and/or termination of employment.

CONFLICTS OF INTEREST

Each employee has a responsibility at all times to promote Matrix Aerospace's best interest. A conflict of interest occurs when an employee's judgment in acting for Matrix Aerospace is adversely affected. Examples of conflicts of interest include but are not limited to:

1. Accepting gratuities from other companies or individuals who do business with Matrix Aerospace or seek to do so.
2. Rendering services to competitors.
3. Using or permitting another to use Matrix Aerospace's documents, equipment, confidential information or trade secrets.
4. Benefitting personally from any purchases or sales by Matrix Aerospace.
5. Engaging in other employment to the detriment of the employee's work for Matrix Aerospace.

If you have, or feel you have, encountered a situation that might be regarded as a conflict of interest, you must immediately consult your supervisor or department manager.

Engaging in any business practices that compromise Matrix Aerospace in any way may result in immediate termination of any and all employees involved in such activity, and may be grounds for legal action against those employees.

ATTENDANCE AND PUNCTUALITY

You will be at work promptly every workday. If you cannot avoid being late to work or are unable to work as scheduled, you must notify your manager within one hour of your starting time or as soon as possible if you are not near a phone (e.g., delayed on public transportation). Excessive absenteeism and/or tardiness may be grounds for disciplinary action, up to and including termination. See Employee Absenteeism Policy for details.

NON-DISCLOSURE OF CONFIDENTIAL INFORMATION

In the course of your employment with Matrix Aerospace, you may see confidential information such as customer lists and proposals, and/or other financial information. It is against Matrix Aerospace policy to disclose to anyone confidential information regarding the operations of Matrix Aerospace.

Because it is vital to the interest and success of the company that business information and trade secrets be protected, certain individuals may be asked to sign a non-disclosure agreement as a condition of their employment.

Disclosure of confidential information concerning the operations of Matrix Aerospace is strictly prohibited.

SOLICITATION OR DISTRIBUTION OF LITERATURE

Matrix Aerospace strictly prohibits both employees and others from soliciting and/or distributing literature on Matrix Aerospace premises during business hours. Matrix Aerospace has established specific policies on solicitation for employees and for non-employees.

EMPLOYEES:

- May neither engage in solicitation of any kind, nor allow themselves to be solicited during their work time;
- May not distribute or post any kind of literature in work areas or on bulletin boards; and
- May be subject to immediate dismissal or corrective action if they violate the policies.

NON-EMPLOYEES:

- May not solicit and/or distribute literature of any kind anywhere on Matrix Aerospace premises including bulletin boards; and
- Are subject to the strict enforcement of this policy by managers and others in authority at Matrix Aerospace.

DRESS CODE

Please understand that you are expected to dress and groom in accordance with accepted social and business standards, particularly if your job involves dealing with customers or visitors in person.

A neat, tasteful appearance contributes to the positive impression you make on our clients. You are expected to be suitably attired and well-groomed during working hours or when representing Matrix Aerospace.

Employees who work on the manufacturing shop floors must wear proper footwear and safety glasses. Shoes must be closed-toe and closed-heel.

USE OF PHONE AND MAIL SYSTEMS

When you answer the telephone, you represent Matrix Aerospace to the caller. We expect you to speak to the caller in a courteous and professional manner.

Personal use of the phone for outgoing calls should be limited to emergencies only.

The use of employer paid emailing systems are for business purposes only.

The use of employer paid postage for personal correspondence is prohibited.

TELEPHONE USAGE POLICY

Personal calls of short duration, i.e., 2 to 3 minutes, may be received and made at an employee's desk or work station. No long distance personal calls will be tolerated unless prior permission to make such a call is received from a supervisor, and the necessity is apparent. Personal telephone call privileges are subject to change or termination at any time. For instance if you are found spending more than just limited time on personal calls, this privilege may be withdrawn.

CELL PHONE POLICY

Excessive use of your cell phone on company time is strictly prohibited and will not be tolerated. This includes utilizing your cell phone for talking, texting, taking photos, music, internet, email, or any kind of social networking while on the shop floors. Violation of this policy may be grounds for disciplinary action, up to and including termination.

USE OF MATRIX AEROSPACE EQUIPMENT

The equipment used in accomplishing your work is expensive and may be difficult to replace. Exercise care when using tools and equipment and follow all operating instructions, maintenance requirements and safety guidelines. Please report damages or deterioration of equipment immediately to your supervisor. You are responsible for all property, materials or equipment issued to you or in your control during your employment with Matrix Aerospace.

THEFT

All hardware, software, and computer-related supplies, documentation, tools and equipment are the sole property of Matrix Aerospace. They must not be removed from the premises without proper authorization. Any and all such company property must be returned to Matrix Aerospace upon termination of employment. Employees who remove company property from Matrix

Aerospace without proper authorization will be subject to disciplinary action, up to and including termination.

SAFETY

General Employee Safety

Matrix Aerospace is committed to the safety and health of all employees and recognizes the need to comply with regulations governing injury and accident prevention and employee safety. Maintaining a safe work environment, however, requires the continuous cooperation of all employees.

Matrix Aerospace will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your supervisor for assistance. Any suspected unsafe conditions and all injuries that occur on the job must be reported immediately. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each supervisor make the safety of employees an integral part of her/his regular management functions. It is the responsibility of each employee to accept and follow established safety regulations and procedures:

Reporting Safety Issues

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your supervisor. If you or another employee is injured, you should contact outside emergency response agencies, if needed. If an injury does not require medical attention, an Employee Accident Report must still be completed in case medical treatment is later needed, and to insure that any existing safety hazards are corrected.

Federal law (Occupational Safety and Health Administration) requires that we keep records of all illnesses and accidents which occur during the workday. The State Workers' Compensation Act may also require that you report any workplace illness or injury, no matter how slight. If you fail to report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. OSHA also provides for your right to know about any health hazards which might be present on the job. Should you have any questions or concerns, contact your supervisor for more information.

Emergency Evacuation

All employees will immediately go to the nearest marked exit and vacate the building and go to the emergency location area (found on the fire extinguisher and emergency exit map). Once employees are in the emergency location area, they will assemble in groups according to their assigned department. Employees shall remain clear of the building until your supervisor advises you to re-enter.

GENERAL HOUSEKEEPING

Matrix Aerospace provides safe and suitable working conditions for all employees. You are urged to cooperate in every way to maintain this environment. Work stations and desks should be left in an orderly condition at the close of the day; windows, equipment and lights (i.e., coffee machines, copy machines) computers should be turned off. All areas of Matrix Aerospace should be free of litter.

SEPARATION OF EMPLOYMENT

Termination of Employment

Unless otherwise provided by a written contract for employment, Matrix Aerospace operates under the principle of employment at-will. This means that neither you nor Matrix Aerospace has entered into a contract regarding the duration of your employment. You are free to terminate your employment at any time, with or without reason. Likewise, Matrix Aerospace has the right to terminate your employment, or otherwise discipline, transfer, or change your position at any time, with or without reason, consistent with applicable state and federal law.

Matrix Aerospace expects that you will give at least two (2) weeks notice in the event of your resignation. Accrued vacation time will be paid out at the time of employment termination.

Insurance Conversion Privileges

According to the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985, in the event of termination of employment, or loss of eligibility to remain covered under Matrix Aerospace group health insurance program, you and your eligible dependents may have the right to continued coverage under or health insurance program for a limited period of time at your own expense. Please refer to the section above on your Group Health Insurance Benefits or contact the Management for more details.

Return of Matrix Aerospace Property

Any property issued to you, such as computer equipment, keys, Matrix Aerospace credit cards or Matrix Aerospace petty cash accounts is the property of Matrix Aerospace and must be returned at the time of your termination. You will be responsible for any lost or damaged items.

CLOSING STATEMENT

Management of Matrix Aerospace thanks you for taking the time to thoroughly read our Employee Handbook.

Management expects everyone to abide and follow the policies as set forth and described. However all employees are encourage to bring forward their suggestions and good ideas about how Matrix Aerospace can be made a better place to work, our jobs improved, and our services to our clients enhanced. When you see an opportunity for improvement, please talk it over with your supervisor. They can help you bring your idea to the attention of the people in Matrix Aerospace who will be responsible for possibly implementing it. All suggestions are valued and will be listened to.

Sincerely,

Matrix Aerospace

RECEIPT AND ACKNOWLEDGMENT OF MATRIX AEROSPACE'S EMPLOYEE HANDBOOK

Please read the following statements, sign below and return to Management.

Acknowledgment and Receipt of Employee Handbook

I have received and read a copy of Matrix Aerospace's Employee Handbook. I understand that the policies and benefits described in it are subject to change at the sole discretion of Matrix Aerospace at any time.

At-Will Employment

I further understand that, my employment is at will, and neither I nor Matrix Aerospace has entered into a contract regarding the duration of my employment. I am free to terminate my employment with Matrix Aerospace at any time, with or without reason. Likewise, Matrix Aerospace has the right to terminate my employment, or otherwise discipline, transfer, or demote me at any time, with or without reason, at the discretion of Matrix Aerospace. No employee of Matrix Aerospace can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without the written approval from Management.

Employee's Printed Name

Position

Employee's Signature

Dated

I acknowledge that consideration for employment is contingent on the results of a reference check, credit check, criminal record check, background check, negative drug screen result, my ability to establish employment eligibility under the Immigration Reform and Control Act of 1986 and upon verification of the information provided by me in my application, my resume or in other parts of the application process.

I understand that in making this application for employment, Matrix Aerospace or any agent acting on its behalf may request an investigative consumer report or other such information obtained through personal interviews with third parties such as neighbors, friends, business associates, financial sources and acquaintances. I authorize Matrix Aerospace, its affiliates and representatives to verify all information provided by me in the application process and to inquire into my character, general reputation, personal characteristics and mode of living. I expressly authorize all employers, personnel, schools, companies, corporations, and law enforcement agencies to supply any and all information concerning my qualifications for employment and to verify the information given by me herein or elsewhere in the application process. In consideration for being a candidate for employment, I release Matrix Aerospace, related entities, as well as any individual or entity providing information from any and all liability in connection with inquires and investigations, information given, decisions made, or action taken concerning my employment based on such information. I further understand that I have a right to make a written request within a reasonable period of time to receive additional detailed information concerning the nature and scope of the investigation.

I understand that employee screening or other tests, including drug screen, may be a condition of employment and refusal to take such tests when asked will subject me to termination. I also understand that no person is authorized to enter into written employment contracts on behalf of Matrix Aerospace. I hereby acknowledge that no verbal promises or contracts are authorized by Matrix Aerospace and upon my acceptance of employment, I expressly acknowledge that no such verbal promises, inducements, or verbal contracts have been made.

AT-WILL EMPLOYMENT

If hired, I understand that, my employment is for no definite period of time and may, regardless of the date of payment of my wages and salary, be terminated at any time without any previous notice and with or without cause. In consideration of my employment, I agree to conform to the policies and procedures of the Matrix Aerospace.

CERTIFICATION

I hereby certify that the information provided on this form is true and complete. I understand that any omission or false or misleading information provided on this form, my resume or in other aspects of the employment process may result in termination of my employment and/or personal liability for any damages caused by the submission of false information. A copy of this authorization shall have the same authority as the original.

Date

Signature