



Employee Handbook

Overview of Granite Insurance Brokers Policies, Practices, and Benefits

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- **Southern California Office:** 1225 Camino Del Mar, Del Mar, CA 92014

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Welcome to Granite Insurance Brokers!

I'm excited to have you as part of Team Granite!

Team Granite, is a nationwide "boutique" Insurance Agency with a culture of best-in-class professionals, who each believe that in order to be successful, integrity and honesty are the most important things we can offer.

Granite Insurance Brokers is a place where you can affect change and work on behalf of our clients and their Employees. People *always* come first.

We believe that we are an advocate for our clients, and most importantly, that *our word matters*. We understand that the companies that we represent, the innovation that we create and deliver and the service levels that we provide, are of equal importance.

We're passionate and transparent *every step of the way*.

A common thread that you'll quickly experience joining Team Granite, is that **we love** to help others. Helping others is our mission, and it's what I personally strive for every day, whether it's for a client, an Employee, a partner or a stranger.

Team is in our culture and it's imbedded in our DNA. You'll work on a team and you'll be an integral part of that team.

Because together, we can accomplish anything.

Welcome to Granite Insurance Brokers!

Shawn Edgington, CEO and President
Granite Insurance Brokers

INTRODUCTION TO GRANITE INSURANCE BROKERS

1. Overview

Granite strives to offer a dynamic and rewarding place to work. We are dedicated to maintaining a culture of high commitment, excellent opportunity, high-quality performance and services. Our success depends upon the dedication of our Employees. We trust that throughout your employment, you will contribute to our culture of mutual respect, cooperation and commitment.

This Employee Handbook contains some of the company's most frequently used employment guidelines. This Handbook is intended to be a useful reference document regarding employment at Granite. We have written this handbook in order to answer some of the questions you may have concerning the policies, programs and benefits of the Company. Please read it thoroughly and retain it for future reference. Written employment contracts between Granite and some individuals may supersede some of the provisions of this Handbook. Any such agreement must be in writing, signed by the President.

This Handbook summarizes the policies and practices in effect at the time of publication. This Handbook supersedes all previously issued Handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described here. Circulation of this Handbook outside of Granite is not permitted without prior written approval.

Granite reserves the rights to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this Handbook or in any other document, from time to time as business, employment legislation and economic conditions dictate. If and when provisions are changed, Granite will update the Handbook accordingly. Granite at its sole and absolute option, may change, rescind, delete, suspend or discontinue any part or parts of the policies in this Handbook, except for the at-will employment policy, at any time without prior notice.

Please sign the Employee Handbook Acknowledgment that accompanies this handbook and return it to human resources. This will provide the Company with a record that you received the handbook.

2. What You Can Expect From Granite

Granite is comprised of competent people who accept with open minds the ideas, suggestions and constructive criticisms of fellow Employees. As a company, we strive to promote mutual respect, teamwork and cooperation in the workplace. We endeavor to be competitive in new products, ideas and markets, with an overall goal of continuous improvement, growth and profit. In doing so, we hope to create an environment that is challenging, productive and fun.

We can only build a successful company by nurturing and supporting our stakeholders, including our Clients and Employees. Granite Employees are integral to reaching our goals.

During your first few weeks of employment, your Manager will explain your job responsibilities and working hours. Your Manager will be your first point of contact for any queries relating to your job duties. Job responsibilities and performance standards will be communicated to you by your Manager.

As flexibility is necessary, job responsibilities may change at any time during the course of employment.

3. What Granite Expects From You

Granite expects you to contribute your talents and energies toward furthering the success of the company's products and services. You are expected to understand your duties and perform them promptly, correctly and to the best of your ability. Granite also expects you to cooperate with management and your fellow Employees and maintain a good team attitude.

Granite asks that you respect our equal opportunities environment at all times and communicate effectively with your Manager and teammates. We are always open to suggestions that may improve our business and encourage you to share your career goals, as well as any job-related problems, with your Manager.

From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of Granite. You may also need to be flexible with your working hours in order to meet the varying demands of our business.

Granite expects you to treat our Clients courteously at all times. You should always respond to inquiries promptly and professionally. All correspondence and documents should be neatly prepared and error-free. Attention to accuracy and detail demonstrates your commitment to those with whom we do business. If you encounter an uncomfortable situation with a client that you do not feel capable of handling, contact your Manager.

4. Nature of Employment

You became an Employee at Granite voluntarily and your employment is at will. "At will" means that you are free to resign at any time, with or without cause. Likewise, "at will" means that Granite may terminate your employment at any time, with or without cause or advance notice, as long as we do not violate any applicable federal or state law. Granite also retains the right to change an Employee's position at-will. In other words, Granite may demote an Employee or change his or her position with or without cause and with or without notice.

No manager or other representative of Granite has any authority to agree on behalf of Granite to limit Granite's right to modify these other terms and conditions of employment. Any agreement to limit Granite's right to modify these other terms and conditions of employment may be effective only if signed by the President.

5. Equal Employment Opportunity

Granite is an equal opportunity employer and makes employment decisions on the basis of merit and business needs. Granite does not discriminate against Employees, applicants, interns, or volunteers on the basis of race, religion, color, national origin, ancestry, physical disability, mental disability, medical condition, pregnancy, marital status, sex, age, sexual orientation, military and veteran status, domestic partner status, genetic information, gender, gender identity, gender expression, or any other characteristic protected by applicable law. Granite also prohibits discrimination based on the perception that an applicant or Employee has any of those characteristics or is associated with a person who has or is perceived to have any of those characteristics.

Granite provides reasonable accommodation for the known physical disabilities, mental disabilities, and medical conditions of qualified applicants and Employees in accordance with applicable law. Applicants and Employees who have a physical disability, mental disability, or medical condition which impairs their ability to perform the essential functions of the job should contact human resources and request an accommodation. Applicants or Employees needing an accommodation should describe their limitations or restrictions and the accommodation(s) needed to perform the job. Granite will evaluate the barriers that interfere with the applicant or Employee's performance of the job and identify accommodations that may help the applicant or Employee perform the essential functions of the job. If an accommodation is reasonable and will not impose undue hardship on the Company, Granite will provide the accommodation.

Any Employee, intern, or volunteer who believes that he or she has been subjected to any form of discrimination in violation of this policy should notify his or her Manager, human resources, or any management representative with whom he or she is comfortable as soon as possible. Granite encourages people who believe that they have been subjected to discrimination to provide a written description of the incident(s) prompting their concern, including the names of the individuals involved and the names of any witnesses. Managers who learn of any complaint of discrimination in violation of this policy should report the complaint to human resources as soon as possible.

Granite will undertake an objective investigation and will treat information obtained during the course of the investigation as confidential to the extent reasonably possible. A Granite representative will advise the complaining Employee(s) and the accused Employee(s) of the results of the investigation. At the conclusion of its investigation, if Granite determines a policy violation has occurred, it will take

effective remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused party, up to and including termination of employment. Steps will be taken, as reasonable and necessary, to prevent any further violations of this policy.

Granite prohibits retaliation for: (a) reporting incidents of discrimination or perceived discrimination, (b) making complaints of discrimination, or (c) participating in investigations of incidents of discrimination or perceived discrimination. Any report of retaliation will be promptly and thoroughly investigated in accordance with Granite's investigation procedures outlined above. If a complaint of retaliation is substantiated, appropriate disciplinary action, up to and including termination of employment, may be taken.

If you think you have been discriminated against or that you have been retaliated against for resisting or complaining, you may file a complaint with the federal Equal Employment Opportunity Commission (EEOC) at www.eeoc.gov or the California Department of Fair Employment and Housing (DFEH) at www.dfeh.ca.gov.

6. Harassment, Bullying and Discrimination Prevention Policy

Granite Insurance Brokers strives to create and maintain a work environment in which people are treated with dignity, decency and respect. The environment of the company should be characterized by mutual trust and the absence of intimidation, oppression and exploitation. Employees should be able to work and learn in a safe yet stimulating atmosphere. The accomplishment of this goal is essential to the mission of the company. For that reason, Granite Insurance Brokers will not tolerate discrimination or harassment of any kind. Through enforcement of this policy and by education of Employees, the company will seek to prevent, correct and discipline behavior that violates this policy.

All Employees, regardless of their positions, are covered by and are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur.

Appropriate disciplinary action will be taken against any Employee who violates this policy. Based on the seriousness of the offense, disciplinary action may include verbal or written reprimand, suspension or termination of employment.

Prohibited Conduct Under This Policy

Granite Insurance Brokers, in compliance with all applicable federal, state and local anti-discrimination and harassment laws and regulations, enforces this policy in accordance with the following definitions and guidelines:

Discrimination

It is a violation of Granite Insurance Brokers' policy to discriminate in the provision of employment opportunities, benefits or privileges; to create discriminatory work conditions; or to use discriminatory evaluative standards in employment if the basis of that discriminatory treatment is, in whole or in part, the person's race, color, national origin, age, religion, disability status, gender, sexual orientation, gender identity, genetic information or marital status.

Discrimination of this kind may also be strictly prohibited by a variety of federal, state and local laws, including Title VII of the Civil Rights Act 1964, the Age Discrimination Act of 1975, and the Americans

with Disabilities Act of 1990. This policy is intended to comply with the prohibitions stated in these anti-discrimination laws.

Discrimination in violation of this policy will be subject to disciplinary measures up to and including termination.

Harassment Prevention

Granite Insurance Brokers prohibits harassment if any kind, including sexual harassment, and will take appropriate and immediate action in response to complaints or knowledge of violations of this policy.

For purposes of this policy, harassment is any verbal or physical conduct designed to threaten, intimidate or coerce an Employee, co-worker or any person working for or on behalf of Granite Insurance Brokers. Verbal taunting (including racial and ethnic slurs) that, in the Employee's opinion, impairs his or her ability to perform his or her job is included in the definition of harassment.

The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal harassment includes comments that are offensive or unwelcome regarding a person's nationality, origin, race, color, religion, gender, sexual orientation, age, body, disability or appearance, including epithets, slurs and negative stereotyping.
- Nonverbal harassment includes distribution, display or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of national origin, race, color, religion, age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital or other protected status.

Sexual Harassment

Sexual harassment is a form of unlawful employment discrimination under Title VII of the Civil Rights Act of 1964 and is prohibited under Granite Insurance Brokers' anti-harassment policy. According to the Equal Employment Opportunity Commission (EEOC), sexual harassment is defined as "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature... when... submission to or rejection of such conduct is used as the basis for employment decisions... or such conduct has the purpose or effect of... creating an intimidating, hostile or offensive working environment."

There are two types of sexual harassment:

- "Quid pro quo" harassment, where submission to harassment is used as the basis for employment decisions. Employee benefits such as raises, promotions and better working hours are directly linked to compliance with sexual advances. Therefore, only someone in a supervisory capacity (with the authority to grant such benefits) can engage in quid pro quo harassment. Examples: A supervisor promising an Employee a raise if she goes on a date with him; a manager telling an Employee she will fire him if he does not have sex with her.
- "Hostile work environment," where the harassment creates an offensive and unpleasant working environment. A hostile work environment can be created by anyone in the work

environment, whether it be supervisors, other Employees or customers. Hostile environment harassment consists of verbiage of a sexual nature, unwelcome sexual materials or even unwelcome physical contact as a regular part of the work environment. Texts, e-mails, cartoons or posters of a sexual nature; vulgar or lewd comments or jokes; or unwanted touching or fondling all fall into this category.

Sexual harassment occurs when unsolicited and unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature:

- Is made explicitly or implicitly a term or condition of employment.
- Is used as a basis for an employment decision.
- Unreasonably interferes with an Employee's work performance or creates an intimidating, hostile or otherwise offensive environment.

Sexual harassment may take different forms. The following examples of sexual harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal sexual harassment includes innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks and threats; requests for any type of sexual favor (this includes repeated, unwelcome requests for dates); and verbal abuse or "kidding" that is oriented toward a prohibitive form of harassment, including that which is sexual in nature and unwelcome.
- Nonverbal sexual harassment includes the distribution, display or discussion of any written or graphic material, including calendars, posters and cartoons that are sexually suggestive or show hostility toward an individual or group because of sex; suggestive or insulting sounds; leering; staring; whistling; obscene gestures; content in letters and notes, facsimiles, e-mail, photos, text messages, tweets and Internet postings; or other form of communication that is sexual in nature and offensive.
- Physical sexual harassment includes unwelcome, unwanted physical contact, including touching, tickling, pinching, patting, brushing up against, hugging, cornering, kissing and fondling and forced sexual intercourse or assault.

Courteous, mutually respectful, pleasant, non-coercive interactions between Employees, including men and women, that are appropriate in the workplace and acceptable to and welcomed by both parties are not considered to be harassment, including sexual harassment.

Retaliation

No hardship, loss, benefit or penalty may be imposed on an Employee in response to:

- Filing or responding to a bona fide complaint of discrimination or harassment.
- Appearing as a witness in the investigation of a complaint.
- Serving as an investigator of a complaint.

Retaliation or attempted retaliation in response to lodging a complaint or invoking the complaint process is a violation of this policy. Any person who is found to have violated this aspect of the policy will be subject to sanctions up to and including termination of employment.

Consensual Romantic or Sexual Relationships

Granite Insurance Brokers strongly discourages romantic or sexual relationships between a manager or other supervisory Employee and his or her staff (an Employee who reports directly or indirectly to that person) because such relationships tend to create compromising conflicts of interest or the appearance of such conflicts. In addition, such a relationship may give rise to the perception by others that there is favoritism or bias in employment decisions affecting the staff Employee. Moreover, given the uneven balance of power within such relationships, consent by the staff member is suspect and may be viewed by others or, at a later date, by the staff member as having been given as the result of coercion or intimidation. The atmosphere created by such appearances of bias, favoritism, intimidation, coercion or exploitation undermines the spirit of trust and mutual respect that is essential to a healthy work environment. If there is such a relationship, the parties need to be aware that one or both may be moved to a different department, or other actions may be taken.

If any Employee of Granite Insurance Brokers enters into a consensual relationship that is romantic or sexual in nature with a member of his or her staff (an Employee who reports directly or indirectly to him or her), or if one of the parties is in a supervisory capacity in the same department in which the other party works, the parties must notify the human resource director or other appropriate corporate officer. Because of potential issues regarding quid pro quo harassment, Granite Insurance Brokers has made reporting mandatory. This requirement does not apply to Employees who do not work in the same department or to parties who do not supervise or otherwise manage responsibilities over the other.

Once the relationship is made known to Granite Insurance Brokers, the company will review the situation with human resources in light of all the facts (reporting relationship between the parties, effect on co-workers, job titles of the parties, etc.) and will determine whether one or both parties need to be moved to another job or department. If it is determined that one party must be moved, and there are jobs in other departments available for both, the parties may decide who will be the one to apply for a new position. If the parties cannot amicably come to a decision, or the party is not chosen for the position to which he or she applied, the parties will contact human resources, which will decide which party should be moved. That decision will be based on which move will be least disruptive to the organization as a whole. If it is determined that one or both parties must be moved, but no other jobs are available for either party, the parties will be given the option of terminating their relationship or resigning.

Complaint Process

Granite Insurance Brokers will courteously treat any person who invokes this complaint procedure, and the company will handle all complaints swiftly and confidentially to the extent possible in light of the need to take appropriate corrective action. Lodging a complaint will in no way be used against the Employee or have an adverse impact on the individual's employment status. Because of the damaging nature of harassment to the victims and to the entire workforce, aggrieved Employees are strongly urged to use this procedure. However, filing groundless or malicious complaints is an abuse of this policy and will be treated as a violation.

Confidentiality

The Employee assistance program (EAP) provides confidential counseling services to company Employees. Individuals wishing to discuss an incident confidentially or seeking information and advice of

a personal nature are encouraged to contact the EAP. The role of the EAP in such cases will be limited to personal counseling and treatment for the person who is then an EAP client. Contacting the EAP will not qualify as notification to Granite Insurance Brokers of a potential harassment or discrimination issue (see below complaint procedure for more on how to notify the company of an issue or complaint).

During the complaint process, the confidentiality of the information received, the privacy of the individuals involved and the wishes of the complaining person will be protected to as great a degree as possible. The expressed wishes of the complaining person for confidentiality will be considered in the context of the company's legal obligation to act on the charge and the right of the charged party to obtain information. In most cases, however, confidentiality will be strictly maintained by the company and those involved in the investigation. In addition, any notes or documents written by or received by the person(s) conducting the investigation will be kept confidential to the extent possible and according to any existing state or federal law.

Complaint Procedure

Granite Insurance Brokers has established the following procedure for lodging a complaint of harassment, discrimination or retaliation. The company will treat all aspects of the procedure confidentially to the extent reasonably possible.

1. Any Employee who believes that he or she has been a victim of harassment or discrimination in any form by any manager, supervisor, co-worker, client, or other visitor of the Company should immediately report the incident to his or her manager. If the Employee does not feel comfortable approaching the manager, or is not satisfied with the manager's response, he or she may seek assistance from any other manager or human resources. The Employee should include details of the incident or incidents, names of the individuals involved, and names of any witnesses.
2. Upon receiving a complaint or being advised by a supervisor or manager that violation of this policy may be occurring, the HR director will notify the company and review the complaint with the company's legal counsel.
3. The HR director will notify the person(s) charged [hereafter referred to as "respondent(s)"] of a complaint and initiate the investigation to determine whether there is a reasonable basis for believing that the alleged violation of this policy occurred.
4. During the investigation, the HR director, together with legal counsel or other management employees, will interview the complainant, the respondent and any witnesses to determine whether the alleged conduct occurred.
5. The HR director or other person conducting the investigation will conclude the investigation and submit a written report of his or her findings to the company.
6. If it is determined that harassment or discrimination in violation of this policy has occurred, the HR director will recommend appropriate disciplinary action. The appropriate action will depend on the following factors: a) the severity, frequency and pervasiveness of the conduct; b) prior complaints made by the complainant; c) prior complaints made against the respondent; and d) the quality of the evidence (e.g., first-hand knowledge, credible corroboration).

7. If the investigation is inconclusive or if it is determined that there has been no violation of policy but potentially problematic conduct may have occurred, the HR director may recommend appropriate preventive action.
8. After the investigation is concluded, the HR director will meet with the complainant and the respondent separately, notify them of the findings of the investigation, and inform them of the action being recommended.
9. The complainant and the respondent may submit statements to the HR director challenging the factual basis of the findings. Any such statement must be submitted no later than five working days after the meeting with the HR director in which the findings of the investigation are discussed.
10. The company will review the investigative report and any statements submitted by the complainant or respondent, discuss results of the investigation with the HR director and other management staff as may be appropriate, and decide what action, if any, will be taken. The HR director will report the company's decision to the complainant, the respondent and the appropriate management assigned to the department(s) in which the complainant and the respondent work. The company's decision will be in writing and will include findings of fact and a statement for or against disciplinary action. If disciplinary action is to be taken, the respondent will be informed of the nature of the discipline and how it will be executed.

We encourage all Employees to report any incidents of harassment, bullying or discrimination immediately so the complaints can be quickly and fairly resolved. Employees should also be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate complaints of prohibited harassment in employment. If an Employee believes that he or she has been harassed or retaliated against for resisting or complaining, the Employee may file a complaint with the appropriate agency. The nearest office can be found by visiting the agency websites at www.dfeh.ca.gov and www.eeoc.gov.

Employment Practices

7. Dress and Personal Appearance

Please understand that you are expected to dress and groom yourself 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 customers. You are expected to be dressed in suitable business attire and groomed during working hours or when representing Granite. A good, clean appearance bolsters your own poise and self-confidence and greatly enhances our Agency image. When working at a customer's site, please dress appropriately according to their corporate culture.

- No visible tattoos, cleavage or piercings (except ears).
- No mini-skirts, shorts, stretch pants or leggings.
- No tennis shoes, athletic shoes or flip flops.
- No blue, green, black, purple or orange nail color.

Sales/Production Representatives of Granite must always present a professional and “polished” appearance. This includes mandatory blazers or jackets for females (no bare shoulders please), clean and pressed clothing and well-groomed hair and nails. Hair must be of a natural color and neutral nail color for sales people. Shoes must be polished and cleaned, worn with appropriate socks/nylons, and for women well-manicured toes when open toes shoes are worn. Men must wear a collared shirt with undershirt underneath and a jacket and/or tie where appropriate.

Granite participates in “casual Fridays”. Business casual dress is acceptable on Fridays, unless a Customer or Insurance Carrier is visiting our offices. Business casual attire is less formal than traditional business clothing but still professional enough to be office appropriate. See *Road Map* and accompany images for more clarification on appropriate Business Casual dress.

Personal appearance should be a matter of concern for each Employee. If your manager feels your attire and/or grooming is out of place, you may be asked to leave the workplace until you are properly attired and/or groomed. Employees who violate dress code standards may be subject to appropriate disciplinary action.

8. Personnel Records and Information

You have a right to inspect certain documents in your personnel file, as provided by law. Since personnel files are stored electronically in Bamboo HR, employment documents are available to you at all times. To ensure that personnel records are kept up-to-date, inform human resources of any changes such as marriage, divorce, number of dependents, change of address and/or telephone number, and emergency contact information. Update all such changes in Maxwell Health. Failure to do so may result in distribution of insurance benefits or payroll in a manner contrary to your wishes. In addition, you should notify human resources in writing of any changes to your visa and/or I-9 status.

Granite will restrict disclosure of your personnel file to authorized individuals within the company. Any request for information contained in personnel files must be directed to human resources. Disclosure of

personnel information to outside sources will be limited. However, Granite will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

Granite may receive inquiries from third parties regarding Employees, such as a bank verifying employment for an Employee applying for a loan. All requests for references must be directed to human resources. No other manager, supervisor, or Employee is authorized to release references for current or former Employees. By policy, Granite will respond only to written inquiries with Employee's signature for release. Granite will disclose only the dates of employment and the title of the last position held. If you authorize the disclosure in writing, we also will provide of the amount of salary or wage you last earned.

9. Performance Reviews

Performance reviews provide you, your manager, and other members of the management team with an opportunity to communicate with you concerning performance, expectations, goals, and objectives. Managers and Employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Your past performance reviews are located on Bamboo HR.

Your performance appraisals may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. Performance reviews will also help you become aware of your progress and areas for improvement.

It should be noted that a good performance review does not guarantee a compensation increase because changes in compensation depend upon many factors in addition to performance (including market conditions and Granite's financial performance), nor is a favorable performance review a promise of continued employment. Employment at Granite is expressly considered "at-will" employment. Either you or Granite may terminate the employment relationship at any time, with or without advance notice and with or without cause.

10. Standards of Conduct

Granite seeks to foster an environment where creativity, engagement, and teamwork thrive. In order to co-create such an environment, Granite expects all of its Employees to model the following qualities and behaviors:

- Professionalism in speech, writing, demeanor, appearance, and work product;
- Direct, respectful, and honest communication, and an understanding of when face-to-face, telephone, or email communications may be most appropriate;
- Willingness to consider the words and ideas of colleagues;
- Dedication and focus to client needs;
- Ability to prioritize;
- Enthusiasm for your work;
- Respect for the interpersonal boundaries of colleagues, clients, and others;
- Honesty in all business dealings;

- Willingness to take responsibility;
- Respect for the laws and policies that govern the workplace;
- Attention to detail; and
- The exercise of reasonable caution to avoid liability, loss, or damage to the Company, its clients, Employees, management, and other third parties.

The above is not intended to be a checklist or to set minimum or maximum standards of conduct. Rather, it is meant to be used as a guide for you and a reminder to expect excellence from yourself and each other.

11. Commitment to Customer Service

Ours is a service business and all of us must remember that the customer always comes first. Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person, email or by telephone, promptly and professionally.

Please refer to Granite's Customer Service Standards document.

12. Professional Behavior

As a representative of our Agency, you are the first line of contact with our customers and vendors. You also interact with one another on a daily basis. Therefore, as Employees of our Agency, it is critical for you to demonstrate professional behavior. Please remember that what some people consider amusing may be offensive to others. Professional behavior means that you are sensitive and considerate, showing courtesy and respect to all you come in contact with on a daily basis.

As an example, the following behaviors can be considered unprofessional: the use of profanity, jokes or innuendoes that are directed at or about a co-worker, emails or voicemails that contain vulgar language, gossip about co-workers or customers and/or other behavior that may be offensive. You may not be the judge of your own behavior; if others think it is offensive or unprofessional, then that is what it is and it needs to be changed.

You may be in possession of Agency confidential material including sales manuals, price lists, reports, salary information, etc. Professional behavior means it is your responsibility to keep these materials confidential and not to share them with others.

If you are in a position with Granite where you entertain customers at dinners or events or you participate in Agency-sponsored functions, it is your responsibility to be careful about what and how much you drink. Under no circumstances, may you drive when you have been drinking alcoholic beverages. Drinking can have a negative impact on judgment. If you are in a position of leadership, at no time do you cease to be an example even after hours or at social events.

It is the responsibility of all Employees to understand that proper professional behavior is a requirement of your position with Granite. Failure to act in a professional manner can result in disciplinary action, up to and including termination.

13. Workplace Violence Prevention

Granite seeks to provide you with a workplace that is safe and free from all violent, threatening, and intimidating conduct. Granite will not tolerate violence or threats of violence in any form in the workplace, at work-related functions, or outside the workplace if such behavior affects the workplace. Through this policy, Granite protects you against violence and threats of violence by any other Employee of Granite, including supervisors, as well as vendors, clients, and any other individuals.

You may not engage in any conduct intended to harm, endanger, or intimidate another person or the property of another person. Examples of prohibited conduct include, but are not limited to, the following:

- Physical assaults or threats of physical assault, whether made in person or by other means (e.g. in writing, by phone, fax, or e-mail);
- Speech that is intimidating and has the purpose or effect of threatening the health or safety of a colleague;
- Possession of firearms or any other weapon at Granite, while engaged in Company business or at a work-related function; or
- Any other conduct or acts which Granite believes represents an imminent or potential danger to workplace safety and/or security.

You must immediately report occurrences or threats of violence to your manager, human resources, or any management representative. Granite will promptly investigate any reported occurrences or threats of violence. Granite will take any steps deemed reasonable and necessary to stop the conduct and protect Company Employees and property, including requesting assistance from law enforcement authorities.

If you violate this policy, you are subject to disciplinary action, up to and including termination of employment.

14. Separation From Employment

Conditions may arise which will lead either you or the company to terminate your employment without prior notice or corrective discipline. You or the company may terminate your employment at any time with or without cause.

If you choose to exercise your at-will employment option to leave our employ, we ask that you do so in writing and indicate your reason for leaving, the effective date of your resignation, and provide a forwarding address. The company would appreciate as much advance notice as possible, so that plans can be made for your replacement or reassignment of your duties. If you quit without notice, we will send your final paycheck to the most recent address we have in our records, unless you have directed us otherwise.

Following separation of employment, you have a continuing obligation under the “Employee Proprietary Information and Inventions Agreement” and the “Non-Disclosure Agreement” agreement that was signed upon hire, not to use or disclose any confidential or proprietary information of the Company.

An Employee, who fails to report to work without notice to, or approval by, his or her Manager before the start of the work schedule, will be considered as a voluntary resignation of employment.

15. Return of Company Property

Upon request by Granite or upon termination of employment, whether voluntary or involuntary, all Company property must be promptly returned to Granite, including, but not limited to, any and all Company documents, computers, computer equipment, computer records, identification cards, manuals, keys, key cards or fobs, Company credit cards, and any items that contain, reflect or constitute any Confidential Information.

16. Off-Duty Conduct and Outside Employment

Granite will not take any adverse employment action against you for engaging in lawful conduct occurring during nonworking hours away from Granite's premises. Employment in a position(s) in the same field or industry in which Granite operates, is a conflict of interest and is not permitted. If your off-duty conduct begins to adversely affect your performance on the job or is inconsistent with your duties to Granite, appropriate disciplinary action, up to and including termination of employment, may be taken. Unethical or potentially illegal off-duty conduct, which adversely affects Granite's legitimate business interests or your ability to perform your job, will likely result in immediate termination of your employment.

17. Drug and Alcohol Usage

Granite is committed to maintaining a work environment that is safe and healthful for Employees and clients. Employees are expected to report to work in a condition that permits them to perform their assigned tasks in a safe, professional, and competent manner.

Use of alcohol, drugs, or controlled substances, whether on or off the job can detract from an Employee's work performance, efficiency, safety, and health, and therefore seriously impair the Employee's value to Granite. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other Employees and exposes Granite to the risks of property loss or damage, or injury to other persons. Employees are not to possess or use drugs (including medical marijuana), alcohol or controlled substance, or being under the influence of any drug or controlled substance while on the job.

Any Employee who is using prescription, medical marijuana or over-the-counter drugs that may impair the Employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a Manager of such use immediately before starting or resuming work.

During company sponsored events and after work hours the Company may provide limited quantities of alcoholic beverages. Such functions are only considered "company sponsored" if management is in attendance. Consumption of alcohol on Company property when management is not in attendance will be considered a violation of this policy subject to corrective action up to and including termination of employment.

Employees who drink alcohol at company or client sponsored events are expected to do so in moderation. If, while attending such an event, you feel that you may have overindulged, we encourage you to seek assistance from a manager for transportation home. In such situations, Granite will provide

transportation home and will pay reasonable expenses for such transportation. In the rare event that you become intoxicated at a company sponsored event, our primary concern is your safety and the safety of others. You will not be disciplined or retaliated against if you acknowledge your overindulgence and responsibly present yourself to management for transportation home. The above also applies to company sponsored social events held off the premises.

18. Privacy Procedures

While most of the information that we deal with is public record information, we are aware there are some documents we receive that have private information on them. Employees are to follow the following standard procedures for safeguarding protected and personal information:

- The printing of anything containing nonpublic personal information (NPI) is kept to a minimum, but if printed, Employees are instructed to keep it out of the sight of anyone walking by. Examples of nonpublic personal information include Social Security numbers, Driver's License numbers, Credit Card or Financial Account numbers, or Passport numbers.
- Nonpublic personal information is not to be stored on any mobile devices, such as laptops or mobile phones and devices, unless it is in an encrypted format.
- Users must "lock" or "log off" their computers when their workspace is unattended.
- All NPI and Internal Use information must be removed from the desk and locked in a drawer or file cabinet when the workstation is unattended and at the end of the workday. No documents are to be left on a desk at the end of the day.
- All NPI and Internal Use information must be stored in lockable drawers or cabinets and must be locked when not in use or when not attended.
- Keys used to access NPI or Internal Use information must not be left at an unattended work area.
- Laptops must be either locked with a locking cable or locked away in a drawer or cabinet when the work area is unattended or at the end of the workday.
- Passwords must not be posted on or under a computer or in any other accessible location.
- Copies of documents containing NPI or Internal Use information must be immediately removed from printers.
- Documents containing NPI or Internal Use information must be immediately removed from facsimile machines.
- Materials containing NPI must be shredded or placed in a secured shred storage bin.

19. Identity Theft Detection and Response

Granite has adopted an Identity Theft Detection and Response Policy and Procedures Program ("Program") pursuant to the Federal Trade Commission's Red Flag Rules. The purpose of the Program is to assist in detecting, preventing, and mitigating instances of possible identity theft in connection with customers of our Agency. It does so by (a) requiring us to verify the identity of all new customers, (b) establishing certain "red flags" that could indicate possible identity theft, and (c) requiring follow-up on any incident which triggers a red flag. The Program must be observed by all Employees of Granite.

Red Flags that May Indicate Identity Theft

1. An individual falsely claiming to be someone else who that is unknown to our staff
2. A discrepancy between the address contained in the customer's consumer credit report and the address provided by the customer (if a consumer credit report is obtained).
3. A report by a customer known to the staff that he or she has been the victim of identity theft in connection with services provided by Granite.

Responding to Red Flags

An Employee of Granite who encounters a red flag situation or any other activity that may indicate identity theft should report the situation to your manager. That person will follow up as appropriate and will record the incident and its handling in a red flags log kept in this office.

Possible responses to a red flag situation include the following:

1. Customer Notification

Granite may notify the customer if a red flag is encountered that involves that customer's identity. Notification may be provided by mail, by telephone, or in- person – as Granite deems appropriate. The notification may include verification that the customer has not been victimized by identity theft in connection with Granite.

In some instances, additional specific action will be required:

- If notice of an actual identity theft is received, we will immediately cease any collection efforts that are related to the identity theft.
- If a consumer credit report contains an address different from the address provided by the customer, the correct address will be verified with the customer. If the verified address is different from the address in the credit report, we may report the verified address to the credit reporting agency.

2. Notification of Legal Authorities

If Granite obtains specific information pertaining to a person committing identity theft, we will provide that information to law enforcement to the extent permitted under other privacy laws. We may seek advice of legal counsel on the issues involved.

Of course, if a red flag is triggered but we determine that there clearly has been no identity theft, no action will be taken.

Compensation and Work Schedules

20. Employee Classification

Granite assigns a specific classification to each Employee for purposes of identifying eligibility for benefits, salary administration and overtime eligibility. Classifications are determined by the Employee's assigned work schedule and employment relationship.

Non-Exempt Status - Employees classified as non-exempt are generally paid on an hourly basis and occupy non-supervisory, clerical, or support positions. These Employees are eligible for applicable overtime pay.

Exempt Status – Employees classified as exempt are generally paid on a salary basis. Exempt means an Employee is not subject to the Fair Labor Standards Act (FLSA) overtime provisions or the Industrial Welfare Commission (IWC) Wage Order sections pertaining to overtime, minimum wage, record keeping, uniforms and equipment, meal periods, and rest periods.

Full-time Employees – Regular full-time Employees are those who are scheduled for and do work 32 hours or more per week.

Part-time Employees – Part-time Employees are those who are scheduled for and do work fewer than 32 hours per week. Part-time Employees working less than 30 hours are not eligible for Company benefits.

Temporary Employees – Temporary Employees, including Interns, engaged to work full-time or part-time with the understanding that their employment may be terminated on or before completion of a specific assignment. A temporary Employee may be offered a new temporary assignment with Granite and still retain temporary status. Temporary Employees are not eligible for Employee benefits except those mandated by applicable law. Temporary workers on assignment from temporary employment agencies are Employees of the respective agency and not of Granite.

Inactive Status - Employees, who are on any type of leave of absence, work-related or non-work-related, will be placed on inactive status. During the time the Employee is on inactive status, benefits such as Paid Time Off will not be earned and seniority will not continue to accrue.

21. Work Schedule

Granite is normally open for business between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday. The workweek begins at 12:00 a.m. Sunday and ends at 11:59 p.m. on Saturday. Granite generally expects full-time Employees to be at work during its core business hours of 8:00 a.m. and 5:00 p.m.

An alternative work schedule allows Employees to vary their starting and ending times within established limits. Employees interested in participating in an alternative work schedule must agree with their manager on a mutually agreeable work schedule. A request for alternative work schedule must be approved by your Manager. Issues such as staffing needs, job performance, and the nature of the job involved must be considered before an alternative schedule is approved.

If you are an exempt Employee, Granite does not establish fixed work hours for you. You are expected to work as necessary to complete your job, but are generally expected to be present and working during core business hours. No overtime compensation will be paid to exempt Employees.

If you are a non-exempt Employee, your manager will inform you of your individual work schedule. Non-exempt Employees (part-time, hourly and/or temporary) may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. Your Manager must authorize all overtime work. Granite provides compensation for all overtime hours worked by non-exempt Employees in accordance with applicable law.

Granite provides its non-exempt Employees rest periods at approximately the mid-point of each four hours and one unpaid meal period that may be up to one hour long and is scheduled by Granite to commence prior to the fifth hour of the Employees' work. Off premise meal and rest breaks are considered personal time. Granite or its insured will not be liable for injury that occurs while on personal time away from Granite offices.

Exempt Employee is to take meal or rest periods at their discretion. We ask that you schedule your breaks according to the needs of the business.

While every effort will be made to conform to set work schedules, all Employees are required to work whatever hours are necessary, including overtime, when Granite determines, in its sole discretion, that such work is necessary. This is due to the competitive demands of this industry and the continuing need to provide quality service.

Any request to change work hours must be approved in advance by the Employee's manager.

22. Time Recording

All non-exempt Employees are required by law to record their working hours accurately each working day. Employees are required to maintain an accurate record of their time at the beginning and end of each shift, and before and after each meal period or periods provided by Granite. Also, Employees are required to record their time whenever they leave the premises for non-business reasons during working hours.

Employees are responsible for using the web based "time clock" each day, including during any business travel. Should you forget to clock in or out, please notify your manager as soon as possible. Any changes made to any Company time records must only be approved by your manager.

Falsification of any Company time records is strictly prohibited and any Employee engaging in such conduct will be subject to discipline, up to and including immediate termination of employment.

23. Payroll Deductions

Granite is required by law to make certain deductions from each paycheck. Among these are your federal, state and local income taxes, and your contribution to Social Security as required by law. These deductions will be itemized on your check stub, and will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. The W-2 form you receive for each year indicates precisely how much of your earnings were deducted for these purposes.

Any questions about your paycheck should be directed to your Manager.

Garnishments

Granite will deduct and/or withhold from your wages when directed to do so by a lawful garnishment order. The terms and conditions of a garnishment are established by the specific garnishment order and applicable law.

24. Payment of Wages

Any errors on your paycheck should be immediately reported to your Manager.

You will be paid biweekly. Each paycheck will include earnings for all work performed through the end of the previous payroll period. If a regular payday falls on a weekend or holiday, you will be paid on the last business day prior to the regular payday.

Once issued, Employees are responsible for their paychecks. If you lose your paycheck, please notify the Accounting Manager immediately. If the check has not cleared the bank, a stop payment will be placed and a new check issued to you. If the check has already cleared the bank, Granite will not re-issue the check.

Granite offers direct deposit for all Employees. You may begin and stop direct deposit at any time by submitting the request in Paylocity at least 10-days before the pay period for which you would like the change to begin.

25. Commissions

If you are in a position that receives commission payments, please see the Commission Agreement that pertains to your position for specific information about when commissions are earned and when they are paid as well as other pertinent information that may apply. If you have questions, please see your manager.

26. Punctuality and Attendance

You are important to the effective operation of this business. Any tardiness or unexpected absences causes problems for your fellow Employees and your manager. When you are absent, others must perform your work, just as you must assume the workload of others who are absent. Late arrival, early departure or other absences from scheduled hours are disruptive and must be avoided.

If you are an exempt Employee, you are not assigned to work specific hours, but should generally be present during Granite's core business hours. If you will be absent from work or will arrive after the start of Granite's core business hours, inform your manager as soon as possible and at least one hour before Granite's core business hours begin.

Unexcused absences and tardiness are excessive if they occur frequently or if they show a pattern. Excessive shall be defined as four (4) or more incidences within a 30-day period. Absences for protected reasons such as jury duty or other leaves of absence protected by applicable law are considered excused and will not give rise to any disciplinary action.

If you are sick, stay home, especially if you might be contagious. It's poor judgment to make everyone else sick. Please make sure to call and consistently communicate responsibly with your manager.

If you fail to communicate with your manager regarding unexpected absences you may be terminated immediately for job abandonment.

27. Telecommuting

Granite may permit you to telecommute either on a full-time or part-time basis at management's discretion. If you telecommute, you must abide by the following terms:

- Attend meetings at the office or other designated location as requested. Employees who are permitted to telecommute are still considered to be assigned to work from Granite's office as their primary workplace, and responsible for all costs associated with travel to and from the office when required to report to work there;
- Refrain from conducting meetings with clients, vendors, or any person or entity for Company purposes in your home;
- Contact local governmental agencies for required licenses needed to maintain a home office, if applicable;
- Maintain the security of all confidential and/or sensitive information and other proprietary information, as if you were working in the office. All security procedures apply, regardless of whether you are in the workplace or telecommuting;
- Follow safety rules, whether working in the office or offsite, including in a home office;
- Understand the ability to telecommute does not change the performance level expected of you;
- Be responsible for any costs of obtaining tax advice about a tax deduction for a home office. You are responsible for any tax liability should you claim such an expense and it is later disallowed by the Internal Revenue Service (IRS); and
- Adhere to your beginning and ending work times and meal periods and rest breaks and you must continue to maintain required time records if you are a non-exempt Employee.

Granite retains the right to require telecommuters to report to work at the office and to terminate telecommuting privileges in its sole discretion at any time. Violation of any telecommuting policies may result in the loss of your telecommuting privileges.

28. Verification of Licenses and Certificates

If you work in a position that requires licenses or certificates, you are required to keep them current. Granite will request proof of current licensure or certification at the time of hire and annually. Failure to keep your licenses and certifications current could result in disciplinary action, up to and including termination.

Recertification

Licensed personnel are responsible for maintaining a valid license by attending the necessary number of continuing education courses required for recertification.

It is your responsibility to keep your license up to date with our HR Department. Granite will accommodate your requests for time off to attend classes during regularly scheduled working hours if two weeks' notice has been given.

Work Environment

29. Company Property

All Company property (i.e. desks, storage areas, work areas, computer systems, office telephones, cellular telephones, modems, facsimile machines, and copy machines) must be used properly and maintained in good working order. If you lose, steal, or misuse Company property, you may be subject to disciplinary action, up to and including termination of employment.

Granite reserves the right to inspect all Company property at any time and for any reason, with or without you being present. You must obtain prior authorization before any Company property is removed from the premises.

You must return all Company property to Granite at the conclusion of your employment and you must not retain copies (in any form) of documents or data belonging to Granite. Information and material acquired by you during the course of your employment remains the property of Granite regardless of whether it may be maintained in hard copy form, electronic form, or some other format. If you possess Company information or materials in electronic form, provide Granite with a written list of all such information and materials, then preserve (and not delete) such information and materials until receiving direction from Granite with respect to the manner in which such information and material should be removed from your personal equipment. As stated in the Confidential Information and Inventions policy, you may not use any confidential information or intellectual property for any purpose other than to fulfill your duties to Granite and may not disclose any such information to any third party without the express written consent of Granite.

30. Confidential Information and Non-Disclosure Requirements

During the course of employment with Granite, Employees may have access to trade secrets or otherwise confidential and proprietary information about the Company that is not generally known to the public or to our competitors. It is the general policy of our Company to protect and maintain the confidentiality of all such Confidential Information, as defined herein. The protection of our Confidential Information is particularly vital to the interests and the success of Granite given the highly competitive nature of our industry.

Confidential Information

Confidential Information includes, but is not limited to, the following:

- Company information regarding its general business operations, including but not limited to, its lists of any customers, suppliers, Employees or agents; terms of any contracts or agreements with any customers, suppliers, Employees or agents; pricing and other financial information; methods of operating any of its services; marketing, development, financial and sales data and strategies; volumes of business and profit margins; technical and production know-how; future plans and methods of doing business; inventions, designs, patents and other processes; and, policies and procedures relating to its customers, suppliers, Employees or agents;
- Company information regarding its Employees, including their salaries, commissions and other benefits; levels of knowledge, performance, experience and expertise; strengths and weaknesses; and, special talents; and,

- Company information regarding its prospective and existing customers, including each customer's: contact person's name and identifying information (including title, address, and telephone/facsimile/email); volumes of business and profit margins; business operations and methods; preferences and special needs; pricings and other financial information; terms of any contracts or agreements with Granite; information provided, contained and/or reflected in Granite's computer system; and referral information and list of contacts (collectively, "Confidential Information").

Such Confidential Information constitutes a valuable competitive asset of Granite and that it is and shall remain the exclusive property of Granite. Given the nature of Granite's business, protecting proprietary and confidential information is of vital concern to Granite. This information is one of the most important assets of Granite. It enhances Granite's opportunities for future growth, and indirectly adds to the job security of all Employees.

Employees must not use or disclose any proprietary or confidential information that they produce or obtain during employment with Granite, except as required by their jobs. This obligation remains even after an Employee's employment relationship with Granite ends.

Obligation of Non-Disclosure

Except in the course of an Employee's regular authorized duties on behalf of Granite, all Employees must keep all Confidential Information in strict confidence and must not directly or indirectly make known, divulge, reveal, furnish, make available, disclose, or use any Confidential Information during and following the termination of any Employee's employment with Granite.

31. Computer, Email and Internet Usage Policy

Granite provides an email system, voicemail system, access to the Internet, and other technology systems to assist you in conducting Company business. All information, data, and messages created, received, sent, or stored in these systems are, at all times, the property of Granite Insurance Brokers. Use of the Internet by Employees of Granite Insurance Brokers is permitted and encouraged where such use supports the goals and objectives of the business. However, access to the Internet through Granite is a privilege and all Employees must adhere to the policies concerning Computer, Email and Internet usage.

These policies apply to usage of both Granite's computer system and access by Granite Employees to any cloud-based computer programs, applications and the like, such as, for example, HubSpot, Sales Force and EPIC. Except as may be permitted by the National Labor Relations Act or other applicable law, you may not utilize recording devices of any kind (including, but not limited to, audio recorders, video recorders, or cameras including camera phones) to record the actions or communications of a client, vendor, contractor, or others without the consent of Granite and all persons who may be recorded.

Granite does not allow its technology and communication systems to be used in creating, receiving, sending, or storing data that may reasonably be considered to be offensive, defamatory, obscene, or harassing. Such data includes, but is not limited to, sexual images and comments, and any material or images which would reasonably offend any person based on characteristics protected by applicable law. Any such use would violate this policy and may violate Granite's policy against harassment. In particular, the display of any kind of sexually explicit image or document on any Company system is a

violation of Granite's Anti-Harassment policy. If you are aware of the misuse of these systems by other Employees, immediately report the misuse to your manager or human resources.

- Company Employees are expected to use the Internet responsibly and productively. Internet access is limited to job-related activities only and personal use is not permitted
- Job-related activities include research and educational tasks that may be found via the Internet that would help in an Employee's role
- All internet data that is composed, transmitted and/or received by Granite Insurance Brokers is considered to belong to Granite and is recognized as part of its official data. It is therefore subject to disclosure for legal reasons or to other appropriate parties
- The equipment, services and technology used to access the Internet are the property of Granite Insurance Brokers and the company reserves the right to monitor Internet traffic and monitor and access data that is composed, sent or received through its online connections.
- All sites and downloads may be monitored and/or blocked by Granite Insurance Brokers if they are deemed to be harmful and/or not productive to business
- The installation of software such as instant messaging technology is strictly prohibited
- Access to the Granite network shall be limited to authorized users.
- Any Employee accessing the Granite network shall do so either from the Granite office or from a secure outside location utilizing Granite's remote access VPN and in strict compliance with Granite's written protocol for remote access. A secure outside location shall not include any places that provide shared public internet access or places where the user's computer is visible to third parties.
- Employees may not use Drop Box or Google Drive or any other similar programs in connection with the Granite network.
- Employees may never use for any reason any data removal, cleaner or wiping programs or devices such as cc cleaner or any other programs or devices that remove or erase data, on any Granite systems, equipment, hardware, accounts or programs, regardless of location, phones or other devices.
- Unless Employee has obtained the express written consent of Granite's president, Employee shall not at any time transmit any confidential information, proprietary information or trade secrets of Granite or any Granite customer out of the Granite network or from a Granite cloud based account or application to any other location, including, but not limited to (i) saving such confidential information to Employee's personal computer or the computer of someone who is not a Granite Employee, or to a tablet, smart phone or any other device, (ii) sending the information as an e-mail attachment, text attachment, or electronic fax or any other electronic transmission, (iii) saving files to a thumb-drive, CD or to a cloud-based storage or sharing site such as Box or Drop Box, (iv) printing or otherwise converting the information into a hard copy format.

- Other than the work e-mail on an Employee's work smart phone, tablet or other device, no data from Granite's network shall be stored on a device outside of the network. Any device containing Employee's work e-mails or other Granite data shall be subject to inspection by Granite at any time.
- All information on or from the Granite network belongs to Granite regardless of where it may elsewhere reside or currently reside; therefore, Employee shall not destroy, damage or utilize any data cleaning or data removal programs on any computers, smart phones, thumb drives, CDs, external hard drives or other devices or media containing information from the Granite network, without first obtaining the written consent of Granite's President.
- Upon termination of employment, Employee shall secure and turn over to Granite all computers and devices containing any information from the Granite network, regardless of whether Employee believes such information to be publicly available, so that Granite may remove such information from the computer or device.
- Access to the Granite networks is limited to the hours between 6:00 am and 11:00 pm Pacific time, unless Granite's president has provided advanced written consent.

Granite reserves the right to access, review, copy, and delete any of the information, data, or messages accessed through these systems with or without notice to you and/or in your absence. This includes, but is not limited to, all email messages sent or received, all web site visits, all chat sessions, all news group activity (including groups visited, messages read, and Employee postings), and all file transfers into and out of Granite's internal networks. Granite further reserves the right to retrieve previously deleted messages from e-mail or voicemail and monitor usage of the Internet including web sites visited and any information you have downloaded. In addition, Granite may review Internet and technology systems activity and analyze usage patterns to ensure that technology systems are devoted to legitimate business purposes. Accordingly, you should not have any expectation of privacy as to your Internet or technology systems usage and should not use these systems for information you wish to keep private.

Unacceptable use by Employees includes, but is not limited to:

- Access to sites that contain obscene, hateful, pornographic, unlawful, violent or otherwise illegal material
- Sending or posting discriminatory, harassing, or threatening messages on the Internet or via Granite's email service
- Using computers to perpetrate any form of fraud, and/or software, film or music piracy
- Stealing, using or disclosing someone else's password without authorization
- Downloading, copying or pirating software and electronic files that are copyrighted or without authorization
- Sharing confidential material, trade secrets, or proprietary information outside of the organization
- Hacking into unauthorized websites
- Sending or posting information that is defamatory to the company, its products/services, colleagues and/or customers

- Introducing malicious software onto the company network and/or jeopardizing the security of the organization's electronic communications systems
- Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- Passing off personal views as representing those of the organization

If an Employee is unsure about what constituted acceptable Internet usage, then he/she should ask his/her supervisor for further guidance and clarification. Ignorance is not an excuse! All Employees will be responsible for understanding and following this Policy.

Employees who use personal devices for business purposes must agree to permit the Company to access any such devices to preserve, obtain, or access business information or data and must permit the Company to: (a) inspect all such devices and remove Company data from them at the conclusion of employment, (b) install such security or anti-virus software as it deems appropriate (including "remote swipe" software) before the Employee uses the device for business purposes, and (c) delete data from such devices if the device is lost or stolen, employment terminates, or the Company determines that data stored on the device is insecure or vulnerable to disclosure or access to a third party.

32. Social Media, Cell Phone and Text Message Policy

Granite understands that Facebook, YouTube, Twitter, Instagram, Vine, texting, blogs, cell phones and other social media outlets are an everyday part of our culture and we encourage you to participate in social media and social networking during your personal time, and to refrain from using the company's systems to access these types of sites.

Importantly, remember as an Employee of Granite Insurance Brokers, that when you are using social media, cell phones and text to communicate, you must be aware of the impact it has on both how you and the agency are perceived professionally. This policy will not be construed or applied in a manner that prohibits discussion or comment regarding working conditions or the terms and conditions of employment, or otherwise interferes with your rights under Section 7 of the National Labor Relations Act, including the right to engage in concerted activity.

Text Messaging & Personal Cell Phone Policy:

- Utilize text messaging and personal cell phone calls during your breaks and/or during your lunch. Managers and Outside Producers may text, use cell phones and social media for business purposes.
- For business related interoffice messaging, utilize our inter-office program.
- Keep all messages and communication, even messaging, professional and work related at all times.
- Personal text messaging relating to an emergency is acceptable, however.
 - Your cell phone needs to be put away during working hours. Should your family or care providers need to contact you for an emergency, they should contact Granite's main business line and have you found immediately. Or you may take the call/message away from your desk.

Do's and Don'ts Regarding Social Media:

- Do: when mentioning a product refer to the product name and trademark properly.
- Do: identify yourself as an Employee of Granite if you are endorsing one of our products.
- Do: be transparent; identify yourself as an Employee of Granite if you are representing the company on a blog, website, or discussion group. Or conversely, make certain that SM users include a disclaimer, "the views expressed are mine alone and do not necessarily reflect the view or opinions of Granite." Or, SM users or Employees should neither claim nor imply that they are speaking for or on behalf of Granite.
- Do: speak respectfully about our business, co-workers, customers, vendors, industry partners and the company.
- Do: if you are an Employee who has a public face (sales, acquisitions, creative director, sales director, marketing manager, personnel manager, publicity manager, demonstrators) you will be held to a higher standard of professionalism when participating in social media. It is imperative that your personal and professional persona be consistent.
- Do: if you have a private blog have a disclaimer that clearly states that the blog is your point of view only and does not represent or reflect the views or opinions of Granite.
- Do: get approval for a post or any type of response to something negative on any of the company's sites or blogs.
- Do: remember that the poster/user is personally responsible for commentary and can be held personally liable for statements that are considered defamatory, obscene, threatening, proprietary or libelous by any offended party; --not merely Granite.
- ⊗ Don't: post pictures of Employees or others on your personal or the company blogs without written (e-mail) permission.
- ⊗ Don't: discuss anything about the company, its business or Employees on your personal blog or personal social media sites.
- ⊗ Don't: give former Employees endorsements on sites such as LinkedIn.
- ⊗ Don't: use your personal email or SM to negatively influence, impact or spy on others
- ⊗ Don't: share confidential information, proprietary information or trade secret information of Granite or its customers. If you have any doubt regarding whether information is confidential, proprietary or a trade secret, you are required to obtain the written consent of Granite's President before sharing the information.
- ⊗ Don't: violate a copyright or plagiarize and remember that any copy written information requires written reprint authorization before it is used.
- ⊗ Don't: allow social networking activities to interfere with your primary job responsibilities or negatively impact your productivity.
- ⊗ Don't: be false or misleading in your online credentials.

- Ⓞ Don't use company logos or trademarks unless permission is granted.
- Ⓞ Don't state your political preferences or say anything that compromises your impartiality.
- Ⓞ Don't sound off about things in an openly partisan way.
- Ⓞ Don't be seduced by the informality of SM into bringing B&C into disrepute.
- Ⓞ Don't criticize your colleagues.

Granite requests and strongly urges you to report any violations or possible or perceived violations of this policy or any questions regarding which tools are deemed to be social media to your manager or human resources. Violation of this policy may result in disciplinary action, up to and including termination of employment.

33. Health and Safety

Granite strives to provide safe working conditions for its Employees, clients and visitors. Everyone shares in the responsibility for maintaining a safe workplace and conducting business in a way that minimizes risk to you and others.

You must obey all applicable safety laws and inform managers of any potential safety hazards upon observing them. You should immediately report unsafe conditions, practices and on-the-job accidents to your manager.

It is also our intent to provide a safe environment for customers/clients. To this end we have established a workplace safety program. This program is a top priority for Granite. Management has responsibility for implementing, administering, monitoring and evaluating the safety program. Its success depends on the alertness and personal commitment of all of us.

Granite provides information to you about workplace safety and health issues through regular internal communication channels such as Employee meetings, bulletin board postings, memos or other written communications. Management is available to facilitate effective communication about workplace safety and health issues.

Employees receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize hazards.

Some of the best safety improvement ideas come from Employees. If you have ideas, concerns, or suggestions for improved safety in the workplace, you are encouraged to raise them with your manager. Reports and concerns about workplace safety issues may be made anonymously if you wish. All reports can be made without fear of reprisal.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, you should immediately notify your manager. Such reports are necessary to comply with the law and initiate insurance and workers' compensation benefits procedures.

To achieve Granite's goal of maintaining a safe workplace, everyone must be safety conscious at all times.

34. Ergonomics

Granite will make reasonable adjustments to reduce exposure to known ergonomic hazards through modifications to equipment and processes and encourages safe and proper work procedures and requires you to follow safety instructions and guidelines. Granite believes that the reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being and is essential to the business and intends to provide appropriate resources to create a safe work environment.

If you have any questions about ergonomics, contact human resources.

35. Workers' Compensation

Granite, in accordance with state law, provides insurance coverage for Employees in case of work-related injury or illness. The workers' compensation benefits provided to injured or ill Employees may include: (a) medical care, (b) cash benefits to replace lost wages, or (c) vocational rehabilitation to help qualified injured Employees return to suitable employment.

In order to receive any workers' compensation benefits to which you may be entitled, you must:

- Be an Employee of Granite
- Immediately report any work-related injury or illness to your manager;
- Seek medical treatment and follow-up care if required; and
- Complete a written claim form (DWC form 1) and return it to human resources as soon as possible or no later than 24 hours after the injury.

Upon submission of a medical certification stating that you are able to return to work and perform the essential functions of your job with or without accommodation, you will be offered the same position held at the time of leaving, unless the job has been filled in order to avoid undermining Granite's ability to operate safely and efficiently or you are not capable of performing the job responsibilities upon return. If the former position is not available, a substantially similar position will be offered unless there is no substantially similar position available, or you are not capable of performing the job responsibilities.

If you have a workers' compensation claim, you may be placed on a leave of absence as eligible under Granite's applicable policies.

Contact human resources for more information.

36. Use of Office Facilities and Equipment

Equipment essential in accomplishing job duties is expensive and may be difficult to replace. When using equipment, you are expected to exercise care, perform required maintenance and follow all operating instructions, safety standards and guidelines.

Please notify your manager if any equipment appears to be damaged, defective or in need of repair. Prompt reporting of damage, defects and the need for repairs could prevent deterioration of equipment and possible injury to Employees or others. Your manager can answer any questions about your responsibility for maintenance and care of equipment used on the job.

The improper, careless, negligent, destructive or unsafe use or operation of equipment can result in disciplinary action, up to and including termination of employment.

Employees may not use office equipment and facilities for personal business without the express written permission of your manager.

37. Smoking

To ensure a healthy and comfortable workplace for all Employees, Granite maintains a smoke-free environment including prohibited use of e-cigarettes.

If you are a smoker, you may smoke during breaks and lunch only (max 2 breaks per 8-hour working day). In compliance with local laws, smoking is only allowed in designated areas outside the building and must be at least 50 feet from premises. Employees using these areas are expected to dispose of any smoking debris safely and properly.

Smokers should be considerate of other Employees, clients, and members of the public. Smokers should refrain from smoking prior to meeting with a client or prospect.

Non-smokers rights to a smoke-free environment will be given precedence.

38. Work Area

If you are using common areas such as break rooms, storage areas, and restrooms, you are expected to keep them sanitary. You are also expected to keep your work area clean and organized.

39. Solicitation and Distribution of Literature

In order to ensure efficient operation of Granite's business and to prevent disruption in the workplace, it is necessary to control the solicitation and distribution of literature on Company property. Granite has established the following rules governing the solicitation, distribution of written material, and entry onto the premises and work areas:

- You shall not solicit support or distribute any printed material for any cause or organization during your working time or during the working time of the Employees you are soliciting. Working time does not include off-duty periods; and
- Under no circumstances will non-Employees be permitted to solicit or to distribute written material for any purpose on Company property.

These rules extend to the use of Granite's Technology Systems policy. This policy will not be construed or applied in a manner that interferes with your rights under Section 7 of the National Labor Relations Act, including the right to engage in concerted activity.

If you are in doubt concerning the application of these rules, contact your manager or human resources.

40. Emergency Closures

Occasionally we experience emergency situations such as earthquakes, fires, power failures or severe weather. In extreme cases, these circumstances may require the closing of our facility. If this occurs during work hours you may be sent home depending on the severity. You will be advised if the time will be paid or unpaid. If this occurs during non-working hours you will be notified by your manager or

another Employee authorized to give you notification whether or not your work facility will be open or closed.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be unpaid. With approval from your manager, you may use available paid leave time, such as accrued but unused PTO benefits. Employees in essential operations may be asked to work on a day when operations are officially closed.

If you are a non-exempt Employee and you come to work but are sent home early without working one-half of your regularly scheduled hours, you may be paid one-half of your regularly scheduled hours up to four hours but no less than two hours at your regular rate of pay. The regular rate of pay will be the rate you received for hours worked during your last payroll period. This is called “reporting time pay.” This will occur only if the reason you can’t work is something within the control of Granite, not an “act of God,” such as a fire, earthquake or power failure. You will not be entitled to pay, however, if Granite has notified you not to report to work on a given day and you came to work anyway.

Reporting time pay will not be included in the calculation of overtime compensation. Rather, overtime compensation will be based on actual hours worked.

Employee Benefits

41. Insurance Benefits

Granite provides a comprehensive health and welfare insurance plan for eligible Employees and their dependents. At time of hire or once a year during open enrollment you may enroll in the company's Group Medical, Dental, and/or Vision Plans via the Maxwell benefits portal.

If you are declining enrollment for your dependents (including your spouse) because of other health insurance coverage, you may in the future be able to enroll yourself or your dependents in the Company's health coverage, provided that you request enrollment within 30 days after your other medical coverage involuntarily ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days of the qualifying event. If your change election is not received within 30 days, you may add the new dependent to the medical plan during Open Enrollment.

Eligibility for Benefits

All full-time Employees who regularly work at least 30 hours per week are eligible for benefits. Your eligible dependents include:

- Your spouse (unless you are legally separated);
- Your domestic partner
- Your dependent children, up to age 26 regardless of their student or marital status.
- Part-time and temporary Employees are not eligible for benefits.

The group health and welfare programs are described more fully in ***Granite Insurance Benefits Booklet*** which is published annually during open enrollment. This document can be found on the Maxwell Employee benefit portal. Further details may also be found in the summary plan description booklets. Complete descriptions of our group health and welfare programs are also in the master insurance contracts with insurance carriers. If information in our summary plan descriptions contradicts information in these master contracts or master plan documents, the master contracts/documents shall govern in all cases.

42. COBRA - Continuation of Coverage

COBRA or CAL-COBRA is a continuation of Plan coverage when coverage would otherwise end because of a life event, such as if your employment ends or if your work hours are reduced. You may have to pay the entire premium for your continuation coverage.

In the event that you become divorced or legally separated, or one of your dependents ceases to be eligible for coverage under our group health insurance plans, you and/or your dependent are responsible for notifying the Company to obtain information regarding your continuation/conversion rights.

43. Continuing Education

Granite recognizes that your skills and knowledge are critical to the success of the organization. The continuing education benefit enables you to maintain and improve job-related skills.

Granite will provide continuing education assistance to regular full-time Employees, up to a \$500 annual maximum. Continuing education that is to be paid by Granite must be pre-approved. To maintain eligibility, you must remain on the active payroll and be performing your job satisfactorily through completion of each course.

Individual seminars, workshops or courses that are part of a degree or certification program must be related to your current job duties or a foreseeable-future position in the organization in order to be eligible for the benefit. Granite has the sole discretion to determine whether a course relates to your current job duties or a foreseeable-future position.

Covered costs can include such things as course fees, supplies and course materials. Responsibility for payment of costs such as wages, travel, lodging, etc., will be discussed and agreed to prior to enrollment.

If you are a non-exempt Employee and if attendance at a course is required by Granite, then wages will be paid based on the number of hours you spend in class. Travel pay may also apply under certain conditions. If a course is considered optional, wages will not be paid.

Wages paid for attendance at continuing education classes will be at your base rate of pay and does not include any special forms of compensation such as incentives, commissions or bonuses.

Costs such as course fees, supplies, travel, meals and lodging may be paid at the sole discretion of Granite and will be based upon whether or not the course is required. If you are an exempt Employee, your salary will be paid as usual and other costs will be paid at the discretion of Granite.

If there is a course which you are interested in attending you should submit your request, including details of the type of course, times, materials required and cost, to your manager for consideration.

If you fail to attend an agreed-upon course, you may be required to reimburse the office for any lost fees. You may also be expected to reimburse Granite for all or part of the fees paid for the course if you leave within 6 months of the course.

If you are a licensed or registered Employee, it is your responsibility to keep your license(s) valid by attending the necessary number of continuing education courses. Granite will not be held responsible for your failure to attend the appropriate courses resulting in the loss of your license(s). Be advised that Granite is not responsible for paying for your licensing classes.

While educational assistance is expected to enhance your performance and professional abilities, Granite cannot guarantee that participation in continuing education courses will entitle you to automatic advancement, a different job assignment or pay increase.

44. 401K Retirement Plan

Granite offers a 401K Retirement Plan to help you save for your retirement. Employee contributions are made through payroll deduction, thus reducing your taxable income.

You may increase or decrease the amount of your salary deferral or stop deferrals at any time with proper and timely notice to the benefit administrator. If you stop making contributions to the Plan, you may have a waiting period before resuming contributions again.

Rollover contributions are permitted to this plan. Contact your former employer or plan administrator if you would like to rollover contributions from another qualified plan.

Your pre-taxed and rollover contributions, plus any investment earnings, are always 100% vested.

When a profit is declared, Granite's Profit Sharing Plan will contribute up to 5% of annual compensation, for all Employees. The 401K and Profit Share plan require one year of service, entry periods are January 1 and July 1.

Please refer to the Employee Benefit Booklet for further details or Human Resources.

Statement of Employee Retirement Income Security Act (ERISA) Rights

As a participant in the COMPANY 401K Retirement Plan, you are entitled to examine the Plan documents and the annual report and plan description filed with the U.S. Department of Labor. This inspection may be made during normal business hours.

45. Right to Amend

Granite reserves the right to amend or terminate any of these programs or to increase Employee premium contributions toward any benefits with or without advance notice at its discretion. This reserved right may be exercised in the absence of financial necessity. The respective plan administrator will notify plan participants of all approved amendments or plan terminations.

Time Off Benefits

46. Holidays

Granite's holiday calendar is published annually and is subject to change. Holiday pay will be based on a rate equal to Employee's regularly scheduled work hours.

When a holiday falls on a weekend, Granite will designate the Friday preceding or the Monday following as the observed holiday at the discretion of the company.

After 90-days of continuous employment, regular full-time Employees will be eligible for holiday pay.

If a holiday falls during a scheduled vacation time, it will not count as vacation time used. Holiday hours are not counted towards overtime calculations. If you are a non-exempt Employee and are required to work on a paid scheduled holiday, you will receive pay in accordance with applicable law. Temporary Employees are not paid for company holidays.

Employees wishing to take religious holidays not listed on Granite's holiday schedule may use accrued PTO or unpaid time off in observance of those holidays.

47. Paid Time Off

Granite recognizes that our Employees need to take time off occasionally, to rest and relax, to enjoy a vacation or to attend personal matters. That's why we offer a paid time off benefit.

The amount of PTO you receive each year increases with the length of your employment as shown in the following schedule:

Length of Continuous Service	PTO Accrued Per Year	Maximum Accrual
After 90 days through first year	11 Days	11 Days
2 years thru year 4	16 Days	20 Days (160 Hours)
5 years thru year 14	21 Days	26 Days (208 hours)
15 Years +	26 Days	32 Days (256 hours)

You begin to accrue PTO after 90-days of employment, and can use PTO once it is accrued. PTO time is calculated and paid on the basis of an exempt Employee's salary or non-exempt Employee's hourly rate (excluding overtime pay or any special forms of compensation such as incentives, commissions, or bonuses) in effect on the date of the payment.

The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when you start to earn PTO. Your benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation.

An Employee may not use PTO before it's accrued. If the accrued, unused PTO balance reaches the maximum accrual, no further time will be accrued until the Employee takes time off. When an Employees PTO falls below the maximum accrual, PTO will again begin to accrue. Granite does not grant retroactive PTO compensation for any period of time during which the accrued PTO was at the cap.

Employees may cash out their entire PTO balance at the end of the year. Employees will only be allowed to rollover 25% of their PTO balance. The remainder will be paid out to Employees at the end of each year.

If an Employee leaves the company for any reason, they will only be paid for the PTO they have accrued through their last day of employment less any time they have taken and will not be paid for any time they would have accrued during the rest of the year.

To schedule planned vacation, Employees should request written approval from your manager at least two weeks in advance. Requests will be reviewed based on a number of factors, including business needs and staffing requirements, current workload and upcoming projects will be considered. Employees are encouraged to use their accrued PTO during the calendar year.

Doctor or other appointments that cannot be arranged during non-business hours must be arranged with the department manager when the appointment is made. If possible, Employees should schedule appointments at the beginning or end of the workday.

Employees are required to use available PTO when taking time off from work with the exception of a company-required absence. PTO may be taken in increments of as low as two hours. However, PTO may not be used for missed time because an Employee reports late to work.

Employees on unpaid leave do not accrue PTO. Sales Executives and part-time Employees will not accrue paid time off. Sales Executives compensation for paid time off has already been taken into consideration and been allocated within their commissions paid. Part-time Employees who turn full-time begin accruing PTO the day they start the full-time position.

48. California Sick Leave – Part-time/Temporary Employees

After 90-days of continuous employment, Employees classified as Part-time or temporary will accrue up to 24 hours per year of Sick Leave. Sick Leave may be utilized when your own illness prevents you from reporting to work or to care for an ill family member. Unused sick leave may be carried forward from one year to the next to a maximum of 48 hours. No payment for unused sick leave is made upon termination.

Employees eligible for PTO do not accrue additional time under the California Sick Leave program.

Sick leave is not for “personal” absences, extra vacation days, or holidays. Sick leave benefits can be integrated with Worker's Compensation benefits or with State Disability Insurance as long as the combination of sick leave benefits and disability benefits do not exceed an Employee's regular straight time earnings for any particular day.

Employees may use accrued sick time in minimum increments of one hour. For non-exempt Employees, sick time is paid at the Employee's regular rate of pay during the workweek in which the Employee uses sick time.

49. Parental Leave

Granite will provide eligible Employees with the opportunity to take up to 12-weeks of unpaid, job-protected leave to bond with a new child within one year of the child's birth, adoption or foster care placement.

Eligibility

To be eligible for Parental Leave Employees must:

- Have been employed with the company for at least twelve (12) months.
- Have worked at least 1,250 hours for Granite over the twelve (12) months preceding the date the leave would commence.
- Have given birth to a child
- Be a spouse or committed partner of a woman who has given birth to a child
- Have adopted a child or placement of a foster child (in either case, the child must be age 17 or younger).

Approved Parental Leave may be taken at any time during the first year immediately following the birth, adoption or placement of a child with the Employee. Parental leave may not be used or extended beyond this one-year time frame.

Advance Notice

To request Parental Leave, 30 days advance notice is required. If your need for leave is not foreseeable, you should provide notice within a reasonable time after learning of the need for leave.

Paid Family Leave Benefits

Employees who take time off from work to bond with a new child may be eligible for Paid Family Leave benefits from California.

The amount of the PFL benefit is determined by applicable law, and will be approximately 60% of the Employee's wages, up to a weekly cap set by law. Employees may receive up to six weeks of PFL benefits in any 12-month period. There is a one-week "waiting period" before benefits are paid through PFL. The Employee must use accrued PTO to cover the unpaid waiting period.

In the event of a female Employee who herself has given birth, the six weeks of paid family leave will commence at the conclusion of any short-term disability leave provided to the Employee for the Employee's own medical recovery following childbirth.

Maintenance of Health Benefits

An Employee taking Parental Leave will be allowed to continue participating in the company's health and welfare benefit plans for a maximum of 90-days. Employees on Parental Leave will have the same rights as if actively working to participate in any open enrollment periods. This means that if the coverage for active Employees or family members is modified, your coverage will be modified too. Employees on leave will also have the same rights to change plans or change covered dependents as active Employees.

If the Employee is paid during any portion of the leave (e.g. when receiving paid time off), their share of the premium will be deducted from their payroll check in accordance with normal practice. Upon return to work, the Company will collect (via a payroll deduction) the full amount of the Employee's share of health insurance premiums, if any, that were not paid by the Employee during the leave.

LEAVES OF ABSENCE

50. General Leaves of Absence

Granite may grant personal leaves of absence to Employees in certain circumstances. Requests for personal leave should be limited to unusual circumstances requiring an absence of longer than two weeks. Approved personal absences of shorter duration are not normally treated as leaves, but rather as excused absences without pay.

Please request for leave in writing as far in advance as possible. If your leave is granted you must keep in touch with your manager or human resources during your leave, and give prompt notice of any change in your anticipated return date. If your leave expires and you fail to return to work, the Company will assume that you have terminated your employment.

Every effort will be made to allow you to return to your former employment status. However, there is no guarantee of reinstatement with a personal leave of absence.

A leave of absence will not be granted for you to accept other employment or to engage in a personal business. If it is determined that you are using a leave of absence for such purposes or that the reason submitted in the request for the leave of absence is untrue or inaccurate, you may be deemed to have voluntarily resigned from employment as of the first day of the leave of absence.

As applicable laws change, leave of absence benefits may change accordingly. Different issues may arise concerning your rights during a leave of absence. This section does not address all such issues. Therefore, as leave of absence situations arise, consult with human resources for current and complete details regarding a leave of absence.

51. Pregnancy Disability Leave

Pregnancy Disability Leave (PDL) is an unpaid leave that provides job protection for Employees who are specifically disabled due to pregnancy-related conditions (e.g., prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, recovery from childbirth, or any related medical condition).

Upon the request of an Employee and recommendation of the Employee's physician, the Employee's work assignment may be changed if necessary to protect the health and safety of the Employee and her child. Requests for transfers of job duties will be reasonably accommodated if the job and security rights of others are not breached.

The transferred Employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons.

Pregnancy leave begins when ordered by the Employee's health care provider. The Employee must provide the Company with a certification from a health care provider. An Employee will be allowed to use PTO during a pregnancy disability leave. Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Benefits

If you are going on PDL, you may elect to use any accrued PTO before taking the remainder of the leave as unpaid. You may be eligible for disability insurance for some part of the unpaid portion of PDL. You

will not be eligible for holiday pay unless you are being paid through the use of accrued PTO on the day prior to or after a Granite holiday.

Health Insurance Coverage

An Employee on PDL will be allowed to continue participating in the company's health and welfare benefit plans and will have the same rights as if actively working to participate in any open enrollment periods. This means that if the coverage for active Employees or family members is modified, your coverage will be modified too. Employees on leave will also have the same rights to change plans or change covered dependents as active Employees.

The Company will continue to pay the premium payment for all enrolled coverage and the Employee will be required to make any premium contributions that would normally be deducted from payroll.

Notice

Notice to Granite describing the anticipated timing and duration of the leave or transfer must be provided. When the need for the leave or transfer is foreseeable, you must provide at least 30 days' advance notice before PDL or the transfer is to begin. If 30 days' advance notice is not possible, notice must be given as soon as practicable. You must contact human resources regarding the scheduling of any planned medical treatment so as to minimize disruption to the operations of Granite. Any such scheduling is subject to the approval of your health care provider.

Length of Leave

An Employee who is pregnant may take up to four months of leave if she is disabled by her pregnancy. In addition, you may qualify for parental leave, which will provide up to 12 weeks of leave for baby-bonding purposes (see Parental Leave).

Reinstatement

Under most circumstances, upon submission of medical certification that you are able to return to work from PDL and you return within the permitted leave period described in this policy, you will be reinstated to the same position held at the time the leave began, unless your employment in that position would have terminated regardless of the leave. If your position has been eliminated, Granite will reinstate you, on your scheduled date of return or within 60 days thereafter, to a comparable position for which you are qualified if such a position exists, unless it would not have offered such a position to you regardless of your leave. Failure to return by the return to work date may be considered job abandonment which may result in termination of employment.

52. Lactation Policy

Granite accommodates lactating Employees by providing a reasonable amount of break time to any Employee who desires to express breast milk for an infant child.

The break time shall, if possible, run concurrently with any break time already provided to the Employee. Any break time provided to express breast milk that does not run concurrently with break time already provided to the Employee shall be unpaid. However, if providing such break time would seriously disrupt the operations of our business, we may deny break time to Employees who wish to express breast milk.

The Company will make reasonable efforts to provide Employees who need a lactation accommodation with the use of a room or other private location that is located close to the Employee's work area. Employees with private offices will be required to use their offices to express breast milk.

Employees who desire lactation accommodations should contact human resources to request accommodations.

53. Reasonable Accommodation Leave

In conjunction with its policy of providing reasonable accommodation for the known physical disabilities, mental disabilities, and medical conditions of qualified applicants and Employees, Granite will grant a leave of absence as a reasonable accommodation for Employees who are disabled from work temporarily when doing so will not impose undue hardship on the Company.

If you have a disability or medical condition which precludes you from working for a period of time, you may request a leave of absence as a Reasonable Accommodation Leave. If you are requesting a Reasonable Accommodation Leave, you must provide certification of your inability to work from a health care provider. Granite will evaluate requests for Reasonable Accommodation Leave on a case-by-case basis. If an accommodation leave is reasonable and will not impose undue hardship on the Company, Granite will grant the leave and will determine the duration of the leave in its discretion.

Reasonable Accommodation Leave is considered unpaid. If you are taking a Reasonable Accommodation Leave, you are required to utilize accrued paid time off during your leave. When you are on a Reasonable Accommodation Leave, you are not eligible for holiday pay. You may also be eligible for State Disability Insurance (SDI).

Granite will continue to pay its portion of the premium cost for health plan coverage for the remainder of the month in which you begin a Reasonable Accommodation Leave. Thereafter, you are responsible for paying the full cost of continued coverage under the terms of the applicable insurance policy and as provided under COBRA.

Please notify Granite at least two weeks before the date you will be able to return to your job. Prior to returning to your position, you must provide a written release from your doctor on or before your return date.

Granite is not obligated to guarantee reinstatement to you at the conclusion of a Reasonable Accommodation Leave. The Company will review its staffing needs at that time and will consider you for any then-vacant positions for which you are qualified. Changes to your schedule, if requested, will be considered on a case-by-case basis and in light of your needs and the needs of Granite.

If you fail to report to work promptly at the end of the leave, Granite will assume that you have abandoned your job.

54. Bereavement Leave

Bereavement leave allows you to take time off because of the death of a close relative, friend or associate. It generally is separate from other types of leave. The availability and amount of leave may vary depending on individual circumstances such as distance to a funeral, responsibility for funeral and estate arrangements, or the relationship between the Employee and the deceased.

An Employee who wishes to take bereavement leave should notify his or her manager immediately.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. An Employee may use any available PTO for time off as necessary.

55. Jury and Witness Duty Leave

Granite encourages you to serve on jury or witness duty when summoned. Hourly Employees will receive regular pay while serving up to one day of service per year. Exempt Employees will receive pay for any weeks in which you perform any work for Granite while serving on a jury or witness duty to the extent required by applicable law.

Notify your manager of the need for time off for jury or witness duty as soon as you receive a notice or summons from the court so arrangements may be made to accommodate your absence. Written verification from the court clerk of having served must be provided when you have completed jury duty. If work time remains after any day of jury selection or jury or witness duty, you will be expected to return to work for the remainder of your work schedule.

Granite will provide temporary Employees time off to spend on jury or witness duty, but are ineligible for compensation for time spent on jury or witness duty unless required by applicable law.

For extended jury duty absences, Granite will continue to provide health insurance benefits for which you are otherwise eligible, until the first of the month following the first full calendar month of jury duty leave, subject to the terms, conditions and limitations of the applicable plans. After that time, you will become responsible for the full costs of these benefits if you wish coverage to continue. When you return from jury duty, benefits will again be provided by Granite according to the applicable plans.

Holiday benefits will be suspended and PTO benefits will not continue to accrue during extended jury duty leave period, and will resume when you return to active employment.

56. Time Off For Voting

In the event that you do not have sufficient time outside of working hours to vote in a statewide election, you may take off enough working time to enable you to vote. Such time off shall be taken at the beginning or the end of your regular working schedule.

Under these circumstances, if you are a non-exempt Employee, you will be allowed a maximum of two hours of time off on the Election Day without loss of pay. If you are an exempt Employee, you will be paid for time off pursuant to this policy in accordance with applicable law. Where possible, you shall give your manager at least two days' notice that time off to vote is needed.

57. Military Leave of Absence

A leave of absence without pay will be granted for Employee serving in the military or reserve duty. If an Employee is called to active military duty or the reserve or National Guard training, or if an Employee volunteers for the same, the Employee should submit copies of military orders to the on-site manager as soon as possible. The Employee will be granted a military leave of absence without pay for the period of military service, subject to and in accordance with applicable federal and state laws. If the Employee is a reservist or a member of the National Guard, the Employee is granted time off without pay for

required military training. Exempt Employees who perform any Company work in a week in which they also have military duty will be paid their full salary for the week. Eligibility for reinstatement after military duty or training is completed is determined in accordance with applicable federal and state laws.

58. Family Military Leave

An Employee is eligible to take leave under California Family Leave law for spouses of military members, if you work an average of 20 or more hours per week and is a spouse or domestic partner of a “qualified” member of the military. You will be granted up to 10 days of unpaid family military leave during a “qualified leave period.” A “qualified leave period” means the period during which the qualified military member is on leave from deployment during a period of military conflict.

You must provide notice of your intention to take leave within two business days of receiving official notice that the military spouse will be on leave from deployment. You may be required to submit certification from the proper military authority to verify your eligibility for the family military leave requested.

59. Public Service Emergency Volunteer

If you are participating as a volunteer firefighter, reserve peace officer or emergency rescue personnel, please notify your manager so the Company may be aware of the fact that you may have to take time off for emergency duty. In the event that you need to take time off for emergency duty, please alert your manager before doing so when possible.

60. Domestic Violence Leave

Employees who are victims of domestic violence, sexual assault or stalking that need time off for legal proceedings, such as obtaining a restraining order, or for medical treatment or to ensure your health, safety, or welfare, or that of your child(ren) are eligible for unpaid leave.

You should provide notice and certification of your need to take leave under this policy. Certification may be sufficiently provided by any of the following:

- A police report indicating that the Employee was a victim of domestic violence;
- A court order protecting or separating the Employee from the perpetrator of an act of domestic violence, or other evidence from the court or prosecuting attorney that the Employee appeared in court; or
- Documentation from a medical professional, domestic violence advocate, health-care provider, or counselor that the Employee was undergoing treatment for physical or mental injuries or abuse resulting in victimization from an act of domestic violence.

Granite will, to the extent allowed by law, maintain the confidentiality of an Employee requesting leave under this provision.

61. School Activities

Employees are encouraged to participate in the school activities of their child(ren). The absence is subject to all of the following conditions:

- Parents, guardians, or grandparents having custody of one or more children in kindergarten or grades one to 12 may take time off for a school activity;
- The time off for school activity participation cannot exceed eight hours in any calendar month, or a total of 40 hours each school year;
- Employees planning to take time off for school visitations must provide as much advance notice as possible to their Manager;

If an Employee who is the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, the Employee should alert his or her Manager as soon as possible before leaving work.

62. Leave for Organ and Bone Marrow Donation

Employees may take up to five days of paid leave for bone marrow donation, and up to 30 days of paid leave for organ donation within a 12-month period. Group health coverage, if any, will be maintained during the leave and PTO will continue to accrue during leave.

Under most circumstances, upon return from organ or bone marrow leave, an Employee will be reinstated to his or her original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

A medical certification is required from a medical provider confirming that you are donating an organ or bone marrow and that there is a medical necessity for the donation.

Expense & Travel Policy

Granite Insurance Brokers Expense and Travel Policy is intended to provide guidelines, policies, procedures, and information for Employees who travel or incur expenses for business purposes. This policy is set by the President and is subject to change. Please refer any questions to your Manager.

Effective control of expenses is a vitally important part of our business, and very often determines the difference between profit and loss. Each Manager must approve expenses and ensure that direct reports comply with this policy.

Granite will reimburse for actual and necessary expenses incurred while on authorized travel. All reimbursable travel costs must be supported by appropriate documentation, which includes original itemized paid receipts.

63. Mandatory Meeting and Training Pay

For attendance at events required or authorized by the Company, customary and reasonable expenses will be reimbursed upon submission of proper receipts. Acceptable expenses generally include registration fees, materials, meals, transportation, and parking.

Employee attendance at authorized outside activities will be considered hours worked for non-exempt Employees and will be compensated in accordance with normal payroll practices.

This policy does not apply to an Employee's voluntary attendance, outside of normal working hours, at formal or informal educational sessions, even if such sessions generally may lead to improved job performance. Reimbursement or compensation for personal growth or training programs must have prior written approval.

64. Expense Reimbursement

Granite will reimburse Employees out-of-pocket expenses related to business expenditures, meeting the guidelines provided within this policy.

An individual may not authorize his/her own expense form. Authorized signers are responsible for verifying the accuracy of the information on the expense form and for assuring that costs reimbursed by the Company are in accordance with the travel & expense reimbursement guidelines. Managers and other authorized individuals must sign the expense form for payment.

All reimbursable expenses must be supported by appropriate documentation, which includes completing a Granite Expense Report and attaching original itemized paid receipts. All expenses must be clearly documented on the Granite Expense Report and submitted for reimbursement within 30-days of occurrence. An incomplete expense report may delay payment.

Reimbursable Company Expenses:

- Sales Executive(s) are exempt from the auto reimbursement policy as your compensation program considers and has pre-allocated for these costs. Further information can be found in the Sales Agreement.

- Gas mileage to and from a client site, to run company errands or other company business as necessary. You must keep track of and document your mileage.
- Items purchased for the company. Prior approval of your Manager must be obtained and the expense report must be accompanied by a valid and complete receipt.
- Employees required to use a cell phone for business purposes will receive a monthly reimbursement.

65. Meals / Business Entertainment

Business Entertainment must be pre-approved in advance through and/or by your manager. Managers to pre-approve Employee's expenses through the President, or if you're a manager, your expenses are pre-approved by the President. When an Employee is requesting reimbursement for meals purchased for others, the business reason for those meals and the names of the other persons must be provided on the expense report. Meal and beverage receipts should show the name and location of the restaurant; date of the expense; number of people served; total cost; and method of payment. Tips should not exceed 20% of the bill.

Employees are not authorized to take other Company Employees out for meals or entertainment at the expense of the Company without prior authorization.

66. Travel Transportation

Except as directed by management, Granite will book all air travel for Employees on business trips. Granite will pay any penalties or rebooking charges as a result of any changes in the Employee's air travel that are not at the request or fault of the Employee. Otherwise, the Employee shall be responsible for such penalties or charges. If an Employee is required to arrange for the Employee's air travel, the Employee should make such travel plans as far in advanced as possible and book the most economical direct fare available that is within two hours of (before or after) the desired flight time.

Connecting flights: Travelers are encouraged to use connecting flights if they result in fare savings and add no more than 60 minutes to the total trip time.

67. Ground Transportation

Granite will reimburse the non-sales exec Employee for all reasonable business-related ground transportation costs during business travel. Public ground transportation such as Uber, taxis, shuttles, and buses should be used. Original receipts must be submitted with the expense report. Automobile rental is allowed only when other transportation (buses, taxis, etc.) is not available.

68. Private Vehicle Use for Business

When a personal vehicle is used for business other than commuting, mileage reimbursement will be paid at the current established and approved mileage rate. Please indicate the number of miles traveled on your expense reimbursement form. Documentation for tolls and parking with receipts is required.

Employees whose work requires operation of a motor vehicle must present and maintain a valid driver's license and appropriate auto insurance information acceptable to our insurer. Any changes in your driving record or auto insurance must be reported to your Manager immediately. It is the responsibility of the owner of the vehicle to carry adequate insurance for the driver and passengers of the vehicle. The Company does not pay for repairs necessitated by use of a private vehicle for Company business nor traffic or parking violation fines.

This reimbursement policy does not apply to the Sales Executive(s). The commission rate set in the Executive Agreement is intended include and cover care expenses, including gasoline, depreciation, maintenance and repairs. Further information can be found in the Sales Agreement.

The safety of the Company's Employees is critical to our ongoing success. Therefore, the Company requires all Employees with a Company-issued Mobile Device to utilize hands-free equipment when using the Mobile Device while operating a Company-owned vehicle, personal vehicle, or rental vehicle for business.

Only voice calling with hands-free equipment is permitted. When dialing a number, Employees should pull over to the side of the road for safety. Employees may also use voice activated calling or pre-programmed numbers, providing it does not distract from safe driving. Any other Mobile Device enabled activity that prevents an Employee from focusing on driving, such as surfing the Internet, text messaging, checking email, use of applications, or other activities, is prohibited.

The Company requires its Employees to adhere to all federal and state laws and regulations regarding the use of Mobile Devices. Violation of this policy may result in disciplinary action, up to and including termination of employment.

69. Accommodations

Employees are expected to use sound business judgment in selecting accommodations while providing for the safety and comfort of the traveler. Generally, Granite will book lodging for Employees on business trips. Suite accommodations are permitted for entertaining purposes and must be pre-approved by Manager/President. The company pays only for single rooms unless otherwise authorized.

- Travelers must verify the rate at time of check-in.
- Reservations are to be guaranteed for late arrival.
- In the event of cancellation, the traveler should review the hotel cancellation requirements (i.e., cancel by 4 p.m., cancel 24 hours prior, etc.) To cancel, contact the hotel directly, and get a cancellation number to avoid being charged for the room as a "No Show". The Company will not pay for no-shows.
- Incidental non-business expenses are to be paid by Employee.

- Travelers are expected to honor hotel checkout times in order to avoid being charged for an extra night's stay.

70. Communications and Computer Equipment

Granite will reimburse the business-related cost during travel of such items as Wi-Fi charges, postage and overnight delivery services. Receipts for all expenses must be attached to the expense report.

71. Travel Safety

The safety of Granite Employees while on a business trip is of utmost importance. Granite Employees are expected to exercise good judgment while on business trips so as to minimize risks to their safety.

Prior to commencing a business trip, it is good practice for an Employee to inform family members or cohabitants, along with members of the Employee's work group, of the Employee's travel itinerary, including any changes in itinerary, at the time such changes occur. If an Employee is travelling with other Granite Employees, it is recommended that the Employees on the trip have each other's cell phone numbers, so that they are able to contact each other. Upon arrival at their hotel room, Employees should make themselves familiar with the security measures for the hotel room (e.g., door locks, fire exits and alarm systems).

In addition, an Employee that is going out on an excursion away from the hotel where the Employee is staying is encouraged to go with another Employee, or if that is not possible, to let another Employee know where the Employee is going and when they should be expected back.

72. Standard of Conduct During Business Travel

Granite Employees are expected to conduct themselves during business travel in the same manner that they conduct themselves at the workplace. While on business travel, Granite Employees are expected to follow Granite's dress code guidelines and wear the same professional attire that they wear at work at Granite's offices.

In addition, Granite Employees should determine in advance whether they will need to bring formal wear for the trip. Granite Employees should conduct themselves in a professional and dignified manner; keeping in mind that they are representatives of Granite and their actions should promote Granite's best interests and protect Granite's good reputation. Granite Employees are prohibited from accepting excessive gifts from vendors or potential business partners or offering such gifts to customers or potential business partners. If a Granite Employee is uncertain whether a gift is excessive, the Employee should contact his or her Manager.

Thank you for adhering to Granite's company policies and procedures. Should you have any questions or need clarification, please feel free to ask your Manager or HR Manager.