



Price Enterprises, Inc.

Discipline and Discharge Policy

Handbook

DISCIPLINE AND DISCHARGE POLICY

I. PURPOSE

Rules and regulations are essential to the efficient operations of any company. They are the cornerstones of any successful operation. The following rules have been established for the common guidance of FastLube, Inc.'s management staff. They are fundamental in character and are designed for the convenience and protection of the company's interests and to contribute to a more efficient and successful operation.

II. SCOPE

This policy is intended to apply to FastLube management and supervisory staff to promote an understanding of what is considered unacceptable conduct and to encourage consistent action in the event of violations.

III. APPLICATION

A. General Procedure

Whenever an employee commits an offense warranting disciplinary action, his supervisor may begin disciplinary action in any of the steps listed below, depending on the seriousness of the offense committed.

1. **Verbal Warning:** For minor offenses, the employee should be given a verbal warning. If this does not correct the situation within a reasonable amount of time, the supervisor should then use the second step of this procedure.
2. **Written Warning:** The employee may be given a written warning, a description of which appears in Section "E" of this policy.
3. **Suspension.** If a second offense for the same infraction occurs within one (1) year from the date of the first written warning, the employee may be suspended from work without pay for a period up to ten (10) days, the length of suspension depending on the seriousness of the offense.
4. **Discharge.** If a third similar offense occurs within a period of one (1) year from the date of the first written warning, the employee may be suspended without pay pending discharge.

The intent of this procedure is to ensure progressive disciplinary action. The principle reinforces the company's stated policy of fairness and tolerance, and provides an opportunity for the employee to rehabilitate himself and to correct his behavior.

It should be emphasized that supervisors are not required to go through the entire four steps involved in this disciplinary procedure. Discipline may begin at any step in the procedure depending on the seriousness of the offense committed. Any discipline administered by a supervisor should commensurate with the offense committed. In addition, the supervisor may repeat any of the first three steps of this procedure when he feels it is necessary, so long as the discipline is commensurate with the offense committed.

B. Principles of Discipline.

In deciding cases involving discipline, courts have traditionally adhered to three key principles: **Just or Proper Cause**, **Due Process** and **Appropriate Discipline**.

1. **Just or Proper Cause.** Discipline may be imposed only for just or proper cause and includes:
 - a. The existence of a clearly established rule that is within managements' authority to make. The rule should be reasonable related to the same, efficient, and orderly operations of the business. An exception to this rule is any conduct that is clearly wrong, legally or morally.
 - b. The rule must be communicated to the work force (via handbook, bulletin board, etc.) in a manner that is easily understood. The employee should be given reasonable opportunity to become acquainted with the rules and consequences of violating them.
 - c. The rule must be applied consistently and enforced fairly.
2. **Due Process.** For discipline to be upheld, the requirements of due process must be observed and includes the following measures:
 - a. The charge must be filed in a timely fashion.
 - b. The proper procedure must be followed.
 - c. The employee must receive notification of the charges against him.
 - d. The charges must be definite and detailed.
 - e. A careful investigation or hearing must be conducted before discipline is imposed. Detailed investigation should include names of witnesses, dates, times, places and other pertinent facts.

- f. The hearing must be fairly conducted with both sides given every opportunity to be heard. The burden of proof is on the employer to show proper cause for the discipline that was imposed. Only those facts known to the employer at the time discipline was imposed may be admissible at a hearing.
3. **Appropriate Discipline:** Discipline, to be upheld, must be appropriate to the offense committed and consistent with previous disciplinary action taken for similar offenses, though the penalty need not be uniform. In other words, the “penalty must fit the crime.” Whether the penalty is deemed appropriate would include:
- a. Whether the concept of progressive discipline was followed (exclusive of serious misconduct such as theft). Progressive discipline would generally include counseling, oral warning, written warning, short-term suspension, long-term suspension and, finally, discharge.
 - b. The presence or absence of mitigating factors such as the employee’s length of service, previous work record, seriousness of the offense, or provocation/misbehavior by a supervisor. If discipline is used properly, it can be a constructive tool in improved employee moral and efficiency of production. Discipline must be accompanied with training or counseling to be effective. In disciplining employees, the underlying principle to remember is that it must **be consistent** and **uniformly administered to all**.

C. Checklist of Common Disciplinary Issues.

Factors affecting court decisions concerning various disciplinary issues:

- 1. **Attendance.**
 - a. The length of time the employee had a poor attendance record.
 - b. Frequency of problem.
 - c. Reasons presented for absences.
 - d. Nature of the employee’s job.
 - e. Attendance record of other employees.
 - f. Adherence to failure to give proper notice per company rule.
 - g. Existence of clear disciplinary policy relating to absenteeism that is known to all employees and applied fairly and consistently.

- h. Adequate warning to employee concerning consequences if attendance record is not improved.

2. **Insubordination.**

- a. Whether or not instructions or orders were clearly stated and understood.
- b. Whether or not employee was told of the penalty for failing to comply.
- c. Whether or not employee refused to carry out order versus failing to carry out order.
- d. Whether or not direct threats, abusive language or physical violence against management did occur.

An employee does not have to obey an order he feels will endanger his health or safety. This is a commonly accepted precept, but its application is rather tricky and depends on the circumstances in each case. Usually these general conditions apply:

- a. The employee must fear a hazard beyond that found in his regular duties.
- b. The fear must be reasonable, based on objective standards, not a mere claim that the job is dangerous.
- c. There must be a present danger, not a past danger or the supposed possibility of a future danger.
- d. The fear must be genuine, and not a mere excuse for disobeying an order.
- e. The fear may be justified, even though other employees perform the task without incident.
- f. The fact that the task is later proved not to be dangerous has no effect in judging the employee's fear at the time of his refusal.

3. **Falsification of Records.**

- a. The nature and character of the offense, defect, or injury concealed.
- b. The date when the concealed matters occurred in relation to the falsification.
- c. The reason why the falsification would have precluded the hiring of the person and whether the reason has remained valid.
- d. The time that elapsed between the falsification and discovery.
- e. The performance of the employee between the date of falsification and the date of discovery.
- f. The reason for discovery.
- g. The employer's motivation in disciplining based on the falsification.

4. **Theft.**
 - a. The absence or presence of convincing proof of guilt (proof beyond a reasonable doubt).
 - b. The absence or presence of mitigating factors.
 - c. The intent of the employer.

5. **Dress and Grooming.**
 - a. The standard must be clear, unambiguous, and consistently enforced.
 - b. The standard must be reasonably related to a business need of the company.
 - c. The standard must be reasonably attuned to contemporary attitudes toward dress and grooming.
 - d. Whether the affected employees have an adequate opportunity to comply with the employer's grooming requirements.

6. **Fights and Altercation.**
 - a. The length of service and the overall work record of the employee.
 - b. Whether the employee's misconduct consisted of a single, thoughtless blow or series of deliberate acts.
 - c. Whether the blow was struck with a dangerous instrument, a clenched fist, or an open hand.
 - d. The extent of injury inflicted.
 - e. The presence or absence of mitigating factors such as provocation, self-defense, discrimination, or a failure by management to take preventive action.
 - f. Whether the incident indicated the employee had vicious tendencies, a serious emotional instability, or dangerous propensities toward such conduct.
 - g. Whether the individual was the aggressor or instigator.

7. **Safety Rules**
 - a. The reasonableness of the safety rule.
 - b. The understanding and communication of the safety rule.
 - c. The seriousness of the violation (potential hazard, danger to others, etc.)
 - d. The past record of the employee.

8. **Drug Abuse.**

- a. Whether the employee was in possession, using or selling.
 - b. The absence or presence of reasonable proof (i.e., evidence, witnesses, etc.)
9. **Intoxication.**
- a. Whether drinking on the job resulted in other misconduct.
 - b. Whether drinking on the job affected the worker's performance.
 - c. Whether drinking on the job has a direct impact on the employer's business (i.e., liquor license, safety of customers, etc.)
 - d. The absence or presence of sufficient evidence (not mere opinion).
10. **Off-Duty Misconduct.**
- a. Whether the conduct renders the employee unable to perform his job satisfactorily.
 - b. Whether other employees refuse to work with the employee.
 - c. Whether the employer's misconduct injures the employer either directly or indirectly (i.e., harmful publicity, public image, etc.)
11. **Sleeping and Misconduct.**
- a. The absence or presence of convincing evidence.
 - b. The effect of mitigating conditions (i.e., someone who was forced to work extended hours, physical discomfort, medication, etc.)
12. **Incompetence.**
- a. Whether the charge of incompetence has been thoroughly investigated and documented.
 - b. Whether the employee has been given adequate warning and an opportunity to improve his performance (i.e., special training).
 - c. Whether other employees with equally poor performance records are not treated in the same manner.
13. **Carelessness.**
- a. The possibility of the act's recurrence.
 - b. The attitude of the employee; his desire and ability to learn from the mistake.
 - c. The actual and potential injury involved.
 - d. The influence of discipline on other employees.

14. **Discourtesy.**

- a. The existence of clear rules governing guest/customer relations.
- b. Whether or not such rules were properly communicated to the employees.
- c. The severity of the employee's action.
- d. The normal requirements/expectations of the employer and/or industry governing such behavior.
- e. The employee's past record.
- f. The expending of reasonable effort to undertake a fair and full investigation to substantiate the complaint.
- g. The availability of reasonable proof substantiating that such act of discourtesy did occur.

D. Determining Justification for Discipline.

Few company policies or procedures contain a definition of "just cause." Nevertheless, over the years the opinions of arbitrators in innumerable discipline cases have developed a "common law" definition. This definition consists of a set of guidelines or criteria that are to be applied to the facts of any one case are set forth in the form of questions.

A "no" answer to any one or more of the following questions normally signifies that just and proper cause did not exist. In other words, the "no" means that the employer's disciplinary decision contained one or more elements of arbitrary, capricious, unreasonable, or discriminatory action to such an extent that said decision constituted an abuse of managerial discretion warranting the arbitrator to substitute his judgment for that of the employer:

1. Did the company give the employee forewarning or foreknowledge of the possible or probable disciplinary consequences of the employee's conduct?
2. Was the company's rule or managerial order reasonably related to:
 - a. the orderly, efficient and safe operation of the company's business; and,
 - b. the performance that the company might properly expect of the employee?
3. Did the company, before administering discipline to an employee, make an effort to discover whether the employee did in fact violate or disobey a rule or order of management?
4. Was the company's investigation conducted fairly and objectively?
5. At the investigation, did the "judge" obtain substantial evidence or proof that the employee was guilty as charged?
6. Has the company applied its rules, orders and penalties even-handedly and without discrimination to all employees?

7. Was the degree of discipline administered by the company reasonably related to:
 - a. the seriousness of the employees' proven offense; and
 - b. the record of the employee in his service with the company?

E. Preparing Administrative Reports.

The administrative report is the vehicle by which disciplinary action is implemented. It is used to officially document any disciplinary action taken against an employee; however, it can also be used to commend an employee for exceptional or praiseworthy performance. Since administrative reports become a part of an employee's permanent work record, care should be exercised to ensure that the action taken is justifiable and supported by facts. Under no circumstances should an administrative report be issued without a thorough investigation of the facts which should include a fair opportunity for the employee to be heard. If available, statements from witnesses should be secured. Completed copies should be issued to employee, personnel (or equivalent office) and department.

1. **Completing the Administrative Report.** It is preferred that the Administrative Report be typed to assure legibility. The following information is specifically requested on the form and should be properly recorded:
 - a. 'TO' _____ Record the employee's full name, i.e., "John W. Smith".
 - b. 'DEPARTMENT' _____ Record department, as appropriate.
 - c. 'THIS IS TO ADVISE YOU' _____ advisory; report of incident/violation. The following pertinent information should be reported in simple, clear language without editorializing or sermonizing.
 - (1) Date/Time/Place;
 - (2) Name of party(s) involved;
 - (3) Violation (refer to handbook or standards of conduct);
 - (4) Relevant facts (Who? What? Where? When? How?); and,
 - (5) Reference to any prior disciplinary action for similar past violations.
 - d. 'ACTION TAKEN' _____ Statement of intended disciplinary action.
 - (1) The principle of "letting the penalty fit the crime" applies, and to this extent, the disciplinary guidelines should be consulted.

- (2) If the employee has prior citations, they should be noted to support the action taken. PROPER WORDING in this and advisory section is critical should the employee decide to appeal the action by whatever means he chooses. This section should also include a warning as to future action to be taken in the event of a similar occurrence.
- (3) Discharge Actions. If the incident serious but cannot be substantiated, the employee should be placed on “Suspension pending completion of investigation.” Once the investigation is completed, a subsequent Administrative Report should be issued to complete the action taken.
- (4) If there is no question of guilt and the violation is of such severity that a discharge action is warranted, the appropriate action taken should then be, Discharge effective (date)”.
 - e. ‘EMPLOYEE’ SIGNATURE LINE/DATE ---- To be signed after the “Department Head / Supervisor” and “Human Resources / Administrative Officer” signatures have been executed and dated.
 - f. ‘DEPARTMENT HEAD SUPERVISOR’ SIGNATURE LINE/DATE --- To be signed by the issuing department head/supervisor at the meeting.
 - (1) At the final meeting in which discipline is imposed, even if the Employer may have already prepared the Administrative Report, the department head/supervisor should not actually sign the Administrative Report before the meeting.
 - (2) A ceremonial signing should occur in front of the employee at the time the Administrative Report is presented and made effective. This ceremony would eliminate some of the concerns expressed in some cases that the preparation and execution of an Administrative Report prior to the meeting suggests on the employer’s part.
 - (3) This requirement does not excuse the department head/supervisor from his responsibility to review and confirm all disciplinary actions with the Human Resources Manager (if appropriate), or the Administrative Officer (General Manager, President) before the action is taken. No department or supervisor should ever be permitted to take independent, unilateral action without first consulting with his superiors.

- g. 'HUMAN RESOURCES / ADMINISTRATIVE OFFICER' SIGNATURE LINE/DATE --- To be signed by the Human Resources Manager or appropriate Administrative Officer, as appropriate, after the action has been taken and the employee and department head/supervisor signatures have been executed. The signature of the Human Resources Manager or Administrative Officer serves to officially approve the action taken.

[Note: The Employer representative participating in any investigatory or final confrontation meeting should take excellent notes of what transpires at the meeting; in particular, recording exact quotes of critical comments made by the employee being disciplined. Too many Employer representatives have vague memories as to what was said or what occurred at these meetings and this has substantially harmed some of these cases in subsequent appeal actions].

- 2. **Commendations.** While the Administrative Reports are primarily to impose disciplinary actions, they can also be used as an effective management tool to recognize or commend employees for noteworthy performance.

SUMMARY OF DISCIPLINARY PROCEDURES

- Reasons for Disciplinary Action:**
1. Violation of Employee Handbook Rules
 2. Violation of Standards of Conduct
 3. Violation of Safety Rules
- Investigation (Fact-Finding):**
1. All violations must be thoroughly investigated before any action is taken.
 2. Check applicable rule violation and employee's work record.
 3. Record and document all results of investigation.
- Preparing Administrative Report:**
1. Report must contain specific information concerning the violation (e.g., What happened? When? Where? Who was involved? Rule violated? etc.)
 2. Stick to the facts; avoid opinions or editorializing. Use clear, concise language.
 3. Type the report. If you must handwrite the report, print the report legibly.
 4. Be especially sure that the disciplinary action recommended is related to: a) the seriousness of the offense; b) the employee's past record; and, 3) the employee's length of service.
 5. Where possible, indicate action to be taken in the event of recurrence of violation. Use progressive disciplinary action; refer to disciplinary guidelines.
 6. Secure signatures/dates in proper order.
- Issuance:**
1. Takes place only after investigation and discussion as to "why" and what is expected.
 2. Issue report directly to employee. (Employee signature acknowledges receipt only).
 3. If direct issuance not possible, issue report by certified mail.
 4. Issue report and take action promptly after investigation.

F. Discharge Actions: [Major Management Headache]. For a non-union or union company, the handling of discharge cases has been and continues to be a major management headache. Statistics in the United States show that under union contracts, more than 60% of all discharged employees are reinstated either by union grievance procedure or by arbitration. In most cases, the discharged employees are returned to their jobs and awarded some or all back pay accrued from the time of dismissal until the time of reinstatement. Non-union companies are subject to the same hazards.

Furthermore, mishandling of discharge cases and poor disciplinary policies are major causes of unionization, a consideration of utmost importance to the non-union company. An improper discharge action can lead to costly litigation if the employee elects to challenge the company's decision. In fact, despite the cautious efforts of many companies to carefully substantiate a discharge action --- even if the action is fully warranted and properly managed --- such actions are still subject to dispute in an increasingly litigious-prone society. Employees must recognize and anticipate the possibility that **EVERY** discharge action is susceptible to challenge and prepare accordingly.

Legal Considerations --- Generally speaking, discharges may be made only for "just cause." Since the term "cause" is subject to varying interpretations, company rules often list specific actions that constitute grounds for discharge. Frequently listed among the causes justifying discharge is violation of company rules. However, it is held that the violation of a rule under circumstances that make compliance unreasonable, cannot be justified as a cause for discharge.

Discharges should not be treated lightly or dispensed at the slightest infraction. To the employee, it means the loss of wages or his sole source until he can secure another job. It is often a blow to his self-esteem and may handicap him in finding other employment. Management, too, finds discharge costly in certain respects although it is a potent weapon for maintaining authority.

Discharges may cause the other employees of the company to develop a hostile attitude toward the Employer. New employees must be trained to replace discharged employees and this is often costly in time and money. **DISCHARGE MUST BE VIEWED AS THE ULTIMATE INDUSTRIAL PENALTY** since the employee's job, his time of service with the company, his benefits, and his reputation are at stake. Reasonable doubts, therefore, should be resolved in favor of the employee, especially where the alleged offense involves an element of moral turpitude or criminal intent.

DISCIPLINARY ACTION GUIDELINES

The following summary is intended as general guidelines in administering disciplinary action. It is recognized that the severity of the offense and other personal mitigating circumstances could affect the actual action taken.

TYPE OF OFFENSE	RECOMMENDED DISCIPLINARY ACTION
1. Attendance	
A. <u>No show; no call received</u>	
1. First offense	Written warning
2. Second offense	Five (5) days suspension
3. Third offense	Ten (10) days suspension
4. Fourth offense	Termination
B. <u>No show; late call received</u>	
1. First offense	Verbal warning
2. Second offense	Written warning
3. Third offense	Five (5) days suspension
4. Fourth offense	Ten (10) days suspension
5. Fifth offense	Termination
C. <u>Consistent tardiness</u>	
1. First offense	Verbal warning
2. Second offense	Written warning
3. Third offense	Three (3) days suspension
4. Fourth offense	Ten (10) days suspension
5. Fifth offense	Termination
D. <u>Excessive absenteeism with valid excuse</u>	
1. First offense	Written warning
2. Second offense	Three (3) days suspension
3. Third offense	Ten (10) days suspension
4. Fourth offense	Termination
E. <u>Excessive absenteeism without valid excuse</u>	
1. First offense	Written warning
2. Second offense	Five (5) days suspension
3. Third offense	Termination

2. Customer Relations

A. Rudeness or Discourtesy*

- | | | |
|----|----------------|-----------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Five to ten days suspension |
| 3. | Third offense | Termination |

*Action taken depends on nature of behavior (e.g., abusive, offensive, etc.).

B. Poor Service

- | | | |
|----|----------------|---|
| 1. | First offense | Verbal warning (with counseling or re-training) |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five (5) days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |

3. Work Performance

A. Slow performer; can't meet job standards

- | | | |
|----|----------------|-----------------------------------|
| 1. | First offense | Verbal warning (with re-training) |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five (5) days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |

B. Substandard work quality

- | | | |
|----|----------------|-----------------------------------|
| 1. | First offense | Verbal warning (with re-training) |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five (5) days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |

C. Failure to observe operating policies, procedures and/or standards

- | | | |
|----|----------------|-----------------------------|
| 1. | First offense | Verbal warning |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five to ten days suspension |
| 4. | Fourth offense | Termination |

D. Cash shortage or overage where employee has sole access to money and pattern of error exists (no dishonesty involved)

- | | | |
|----|----------------|-------------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Three to five days suspension |
| 3. | Third offense | Ten (10) days suspension |
| 4. | Fourth offense | Termination |

4. Violation of credit or charge policies and procedures*
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Verbal warning |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five (5) days suspension |
| 4. | Fourth offense | Termination |

*Where deliberate manipulation is involved, possible termination on first offense. Pertains generally to routine violations of policy or procedures.

- F. Violation of safety rules*
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Five (5) days suspension |
| 3. | Third offense | Ten (10) days suspension |
| 4. | Fourth offense | Termination |

*Consider nature and severity of violation.

5. Personal Conduct

- A. Failure to present neat, personal appearance or maintain company grooming standards
- | | | |
|----|----------------|---------------------------|
| 1. | First offense | Verbal warning |
| 2. | Second offense | Written warning |
| 3. | Third offense | Three (3) days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |

- B. Horseplay on the job*
- | | | |
|----|----------------|-----------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Five to ten days suspension |
| 3. | Third offense | Termination |

*Termination may be possible with first offense if injury results.

- C. Gambling on the job
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Ten (10) days suspension |
| 2. | Second offense | Termination |

- D. Possession of firearms and other lethal weapons on job
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|

- E. Possession or sale of illegal drugs or alcohol on job
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|

- F. Being under the influence of drugs or alcohol on job
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Ten (10) days suspension |
| 2. | Second offense | Termination |

- G. Drinking alcohol or use of drugs on job
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|
- H. Returning to work premises without proper authorization
- | | | |
|----|----------------|-------------------------------|
| 1. | First offense | Verbal warning |
| 2. | Second offense | Written warning |
| 3. | Third offense | Three to five days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |
- I. Fighting on the job*
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | |
| | a. Instigator | Termination |
| | b. Other Party | Ten (10) days suspension |
| 2. | Second offense | Termination |
- *Severity of incident (e.g., extent of injuries) determines degree of action taken.
- J. Conviction of job-related felony*
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|
- *Before trial, indefinite suspension may be necessary.
- K. Actions on the job violating common morality (indecent exposure)
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|
- L. Falsification of time records and expense reports (manipulation)
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Ten (10) days suspension |
| 2. | Second offense | Termination |
- M. Falsification of sick leave
- | | | |
|----|----------------|--|
| 1. | First offense | Five to ten days suspension plus loss of sick leave for one (1) year |
| 2. | Second offense | Termination |
- N. Falsification of company records (e.g., application form, medical or production records, etc.
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|
- O. Pilfering or theft of cash goods
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|

- P. Loafing, malingering or leaving work area consistently without permission
- | | | |
|----|----------------|-------------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Three to five days suspension |
| 3. | Third offense | Ten (10) days suspension |
| 4. | Fourth offense | Termination |
- Q. Sleeping on the job
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Ten (10) days suspension |
| 2. | Second offense | Termination |
- R. Soliciting or canvassing on company property without authorization
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Five (5) days suspension |
| 3. | Third offense | Termination |
- S. Using company equipment or supplies for personal use without authorization
- | | | |
|----|----------------|-----------------------------|
| 1. | First offense | Written warning |
| 2. | Second offense | Five to ten days suspension |
| 3. | Third offense | Termination |
- T. Smoking in restricted areas
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Verbal warning |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five (5) days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |
- 6. Employee Relations**
- A. Verbal or written abuse directed to supervisor or fellow employees
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Ten (10) days suspension |
| 2. | Second offense | Termination |
- B. Swearing or cursing in public areas
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Five (5) days suspension |
| 2. | Second offense | Termination |
- C. Failure to perform work as ordered
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Five (5) days suspension |
| 2. | Second offense | Termination |

- D. Refusal to perform work as ordered*
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Ten (10) days suspension |
| 2. | Second offense | Termination |

*Assumes order is reasonable. In critical situations, immediate termination may be appropriate.

- E. Refusal to perform overtime work as ordered*
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Five (5) days suspension |
| 2. | Second offense | Termination |

*Action depends on whether employee was given adequate notice or whether employee has planned commitment or responsibility.

- F. Inability to work with fellow employees; disruptive influence
- | | | |
|----|----------------|--------------------------|
| 1. | First offense | Verbal warning |
| 2. | Second offense | Written warning |
| 3. | Third offense | Five (5) days suspension |
| 4. | Fourth offense | Ten (10) days suspension |
| 5. | Fifth offense | Termination |

- G. Walking off the job
- | | | |
|----|----------------|-----------------------------|
| 1. | First offense | |
| | Instigator | Termination |
| | Participant | Five to ten days suspension |
| 2. | Second offense | Termination (participant) |

- H. Participating in a deliberate walk-out
- | | | |
|----|---------------|----------------------------|
| 1. | First offense | Suspension or termination* |
|----|---------------|----------------------------|

*Action taken depends on circumstances

- I. Inciting a deliberate walk-out or disturbance
- | | | |
|----|---------------|-------------|
| 1. | First offense | Termination |
|----|---------------|-------------|