

3. Policies

3.1 Payroll and Per Diem Policies

PAY DAYS

WD Associates pays employees every two weeks (every other Friday). Employees are paid for the previous pay period (in arrears). At the end of each pay period, an employee submits a time sheet covering that pay period. The clerks process the time sheets and submit the required information to payroll such that checks will be delivered/deposited on the following payday. This allows verification of hours worked versus hours paid.

TIME SHEETS

The time sheet documents an employee's time during a pay period. It is used to determine payroll, vacation balance, personal/sick balance, and client invoicing.

Each employee, regardless of classification, shall record his/her time on a time sheet, unless exempted by the President. Time sheets shall be submitted to WD (Whiteford, MD office) within two working days after the end of the pay period (by the end of the workday on Tuesday). Employees shall submit their time sheet to the local WD lead/administrative clerk or fax the time sheet to the WD Office at 410-452-0061. Individuals who know that they will not be at work when time sheets are due shall fill out and submit their time sheet prior to the due date .

Directions for properly filling out a time sheet are:

1. All hours worked **SHALL** be recorded on a time sheet.
2. Benefited employees must account for all available hours in a work period as either contract hours, overhead hours, holiday, vacation hours or personal/sick hours.
3. Overtime is defined as the time worked in excess of 40 hours in a workweek. The workweek runs from 0000 Monday morning through 2400 Sunday night. All hours worked during the week are straight time until the total exceeds 40. (For example, sixteen hours worked on each of day one and day two of a workweek is still defined as straight time.) For benefited personnel, holiday, vacation, or personal time hours do not satisfy or apply to the forty-hour threshold for either payroll or invoicing purposes. Hours worked beyond forty through the remainder of the workweek are designated as overtime. Overtime hours **SHALL** be recorded separately from straight time hours and totaled in the overtime column.

For hours worked beyond forty and recorded as straight time, payroll will assume the hours are comp time and you will receive a regular paycheck.

4. Hours used as comp time shall be recorded as straight time hours and a note of explanation shall be written on or attached to the time sheet. Also, when hours are less than a normal pay period and those hours are taken as comp time, a note shall be written to explain when the hours were or will be made up. In this case, the employee will still receive a regular paycheck.
5. For non-benefited employees, if recorded hours are less than the normal available work hours in a pay period and a comp time explanation is not given, the hours worked will be the hours paid.

3.1 Payroll and Per Diem Policies (Cont.)

OVERTIME PAY

The company must employ professionals capable of working independently with little or no supervision. Most employees that perform this work are highly educated either through academic programs (college) or professional/technical programs (professional certification courses such as NRC licensing programs) and are therefore exempt. Exempt employees are sometimes required to work overtime at the request of the client and are compensated at the straight time rate unless otherwise negotiated at time of employment. Exempt employees are not compensated overtime for overtime hours worked that are not billable to the client. Nonexempt employees are paid time and a half for overtime as required by law.

PER DIEM

This Policy is to be used for general Per Diem application. It is not all inclusive of Per Diem rules but contains specific guidance for most situations and clarifies common misconceptions.

The per diem is contingent upon meeting the following per diem requirements: 1) your primary residence is greater than 50 miles from the plant and 2) you maintain a local “temporary” residence.

An individual’s legal residence is defined as the dwelling where the individual has their permanent home or principal establishment and to where, following temporary absences, they intend to return upon completion of assignment. Every person must have one and only one legal residence at a time. A dwelling does not qualify as a legal residence if it is leased or sublet to any person or entity or is otherwise occupied by someone outside the employee’s immediate family. Immediate family includes the spouse, children, and other legal dependents of the employee residing in the employee’s legal residence at the time the employee is notified of the assignment.

In determining a taxpayer’s primary residence, relevant factors include:

- 1) The principal place of abode of the taxpayer’s family members.
- 2) The address on the taxpayer’s federal and state tax returns, driver’s license, auto and voter registration cards.
- 3) The taxpayer’s mailing address for bills and correspondence.
- 4) The location of the taxpayer’s banks

Some states require temporary workers to obtain that state's drivers license. Some employees transfer banks for the sake of convenience. Employees need to recognize that such actions may result in unintentional transfer of legal residence. The WD office must be notified of all address changes during your employment with WD. If at anytime during employment your circumstances change and you no longer qualify for per diem you MUST notify the office immediately.

Receiving per diem without meeting the requirements could result in repayment of per diem received during the time of ineligibility, termination of employment and/or suspension of unescorted access.

Per Diem is generally paid seven days a week based on a 40-hour work week to qualified individuals on temporary assignment to cover lodging expenses.

The time sheet includes a section for calculation of Per Diem payments. All qualified assignments are based upon a forty-hour workweek. Individuals absent from the job location with less than 40 hours straight time in the workweek **may not be eligible** for full seven day/wk Per Diem. Prorating Per Diem is often controlled by the specific contract or utility per diem policy. If the company can not bill Per Diem, the employee will not be paid.

Per Diem starts the day you start work and ends your last day of work at the client facility.

When husband and wife teams are working at the same site, only one of the two will receive compensation in the form of Per Diem, travel expenses, or mobilization/demobilization.

WD typically Does Not pay for mobilization to a site unless it is billable or included in the billing rate.

If an employee receives compensation to relocate (change primary residence), he/she does not receive Per Diem or related expenses for the duration of that contract.

After one year of receiving Per Diem at a given site, the Per Diem becomes taxable. If a contract assignment is initially awarded for more than one year, Per Diem will be taxed from the start of the assignment. If a contract initially awarded for less than a year is extend by the client in writing resulting in a duration more than one year Per Diem becomes taxable upon notification.

EXPENSES

Travel and living expenses are paid as authorized by the client. In many cases the client will establish what they consider customary and reasonable. Generally, customary and reasonable includes coach airfare, compact or mid-sized rental car, mileage to and from the local area at the government mileage rate and meals not to exceed the government meal rate. In some cases the client may establish more lenient or restrictive requirements. In cases where expenses are authorized, employees should contact the responsible WD manager for clarification.

DIRECT DEPOSIT

Payroll is calculated and produced at the main office in Maryland. It is then distributed to employees living in multiple geographical regions. As a result, we sometimes encounter delays in the postal system. To ensure each employee receives a check on payday, we STRONGLY recommend that all employees use direct deposit if possible. Once started, this should eliminate any worry about whether or not your paycheck will be there on payday.

3.1 Payroll and Per Diem Policies (Cont.)

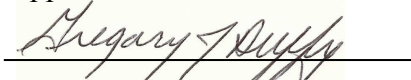
TERMINATED EMPLOYEES

Upon termination of employment, it is very important to submit your final time sheet to ensure you get your final paycheck on time.

401(k)

Employees are eligible to join the 401(k) program in their thirteenth month of consecutive employment with the company. The percentage you defer is subject to an annual limit of the lesser of 100% of eligible compensation or the maximum federal government limit in a calendar year. Authorized deduction of 1 to 100 percent of your gross regular pay contributed into a 401(k) account on a before tax basis. Employees must also work at least one thousand hours in each calendar year. The company will match \$.50 on the dollar of the employee's contribution up to a maximum of 2% of the employee's pay. Vesting is 20% per year. If you were terminated from the company and met the above requirements prior to termination you may re-join the 401(k) program upon rehire.

Approved:



Gregory J. Duffy, President
WD Associates, Inc.

Revision

Date: 04/15/14

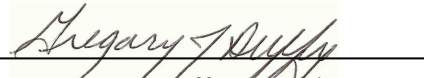
3.2 Equal Employment Opportunity Policy

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at WD Associates will be based on merit, qualifications, and abilities. WD Associates does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability.

WD Associates will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or a member of the management team. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Approved:



Gregory J. Duffy, President
WD Associates, Inc.

Date: 10/6/01

3.3 Harassment Policy

WD Associates is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or unwanted sexual advances.
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, or impeding or blocking movements.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact another member of management. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. Investigations will include gathering information on the nature of the relationship and type of communications prior to the sexual harassment allegation. Behavior that was acceptable at one point in a relationship will be taken into appropriate account during the investigation. When the investigation is completed, you will be informed of the outcome of the investigation.

Harassment does not refer to occasional compliments of a socially acceptable nature or consensual or personal social relationships without a discriminatory employment effect. It refers to behavior which is not welcome and which is personally intimidating, hostile or offensive.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise a member of senior management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

Approved:



Gregory J. Duffy, President

WD Associates, Inc.

Date: 10/6/01

Initial / Date

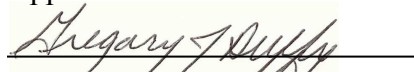
3.4 Drug and Alcohol Policy

WD Associates is a contractor engaged by Utilities to perform professional/technical services. WD and its clients require that employees are fit for duty. Consistent with this requirement, the following conduct is prohibited of any WD Associates employee:

- The sale or distribution of drugs, without regard to whether the sale or distribution takes place on or off the Company's premises, and regardless of whether the drug is distributed or sold to fellow employees or non-employees.
- The use of alcoholic beverages or the possession of an open container containing an alcoholic beverage while on clients premises or while on duty. On nuclear station property, all alcoholic beverage containers, whether opened or unopened, are prohibited. On-duty includes paid and unpaid break and meal periods, regardless of whether the contractor employee is on the client's premises during these times. Client's premises includes buildings, parking lots and vehicles, and all areas where work is performed, whether or not owned or leased by the client. Off-duty use is also prohibited on client's premises.
- The use, possession, concealment or purchase of illegal drugs while on duty. On-duty includes break and meal periods regardless of employee location.
- The impairment, on-duty, of any employee due to the use of drugs or alcoholic beverages, or an impermissible level of drugs or alcohol in the system of any employee.
- Off-duty and off-premises involvement with drugs or alcohol which has or may have an adverse impact on WD. For example, it may have an effect on an employee's ability to perform his or her duties, may endanger the safety of employees or the public, may damage WD's reputation for providing safe and dependable service, or may undermine the public's or government's confidence in WD.
- The use of alcohol by an employee who is granted unescorted access to a nuclear plant during the five (5) hour period which immediately precedes a scheduled work assignment.

An employee of WD Associates who violates any of the prohibitions set forth above, or who, in connection with a drug or alcoholic test, provides a false or tampered sample, or who refused or fails to provide a sample altogether, will not be permitted to engage in any subsequent client related work as specified by the client's internal policy. Additionally, that employee will be subject to disciplinary action up to and including termination of employment. The above does not prohibit employees of WD Associates from using prescribed or over-the-counter medications. However, where such medication may interfere with job performance, the employee is responsible for notifying his or her supervisor prior to commencing work. A failure to comply with this requirement may result in preclusion from performing client related work.

Approved:



Gregory J. Duffy, President

WD Associates, Inc.

Date: 10/6/00

Initial / Date

3.5 **Unauthorized/Inappropriate Use of Company or Customer Equipment**

WD and its employees are in the business of providing service. As a company, and as individuals, we receive compensation in exchange for services rendered. Our obligation is to ensure that our time and actions are to the productive benefit of the customer. This includes ensuring that company and customer provided resources (phones, computer, etc.) are only used in a manner that fully supports the assignment. ANY action that does not directly benefit completion of the assignment is unacceptable.

Phones:

Company or customer supplied phones, including fax machines, are to be used solely for the conduct of company or customer business needs only. Minor personal use may be in accordance with local policies and with authorization ONLY. Permitted personal use examples may include notification of family members about overtime or other minor use permitted by the customer. Calls from a customer phone to the WD office to assist the customer in the assignment or in another matter are acceptable. Other calls, for personal business, not specifically approved by the customer are unacceptable. If in doubt, ask your Supervisor. Employees may be required to reimburse WD or the customer for any charges resulting from their personal use of the telephone.

Computers and all other customer supplied equipment:

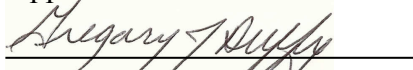
Company or customer supplied computer equipment, including email, are to be used solely for the conduct of company or customer business needs only. Unauthorized use is strictly prohibited. Minor personal use may be permitted in accordance with local policies and with authorization ONLY. Permitted personal use examples may include periodic communication with industry peers. Users with Internet access and email capability should be especially careful to avoid unauthorized use. Internet access shall be strictly limited to business needs only and is permitted in accordance with local policies and with authorization ONLY. **Inappropriate or offensive content is strictly prohibited.** Originators or distributors of unauthorized email will be subject to termination.

Recipients of unauthorized inappropriate email should take the following action to avoid involvement.

- Delete email known to be unauthorized or offensive. DO NOT Reply to unauthorized or offensive email, as the reply is a retransmission of the material. A reply could implicate you as a Distributor.
- Send a separate email to the Originator directing that no further unauthorized materials be sent to you. This email rejecting receipt of inappropriate documents your non-participation.
- Notify your Supervisor.

Violation of this policy may be grounds for termination.

Approved:



Gregory J. Duffy President

WD Associates, Inc.

Date: 10/6/00

3.6 Policy Acknowledgement

Please acknowledge that you have read and understand the WD Payroll, Drug and Alcohol, Equal Employment Opportunity, Sexual Harassment and Unauthorized/Inappropriate Use of Company or Customer Equipment Policy by signing below and returning to the following address:

WD Associates, Inc.
1605 Dooley Rd., P.O. Box 187
Whiteford, MD 21160
Attn: Jeanine Foster

Signature

____/____/_____
Date

Printed Name