



**HLM ASSOCIATES®**

# **Employee Handbook**

**Effective Date: January 1, 2026**

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## Welcome and Introduction

Welcome to HLM Associates!

Started on May 15, 2015, HLM Associates, LLC (“Company”) is aiming to be *the* company of choice for its employees by providing competitive wages, benefits, a collegial environment, and career opportunities. We believe that our employees are an integral and valued contributor to the success of the Company and therefore should share in that success through visible acknowledgement by the owners to the employees.

Founded by Andrew B. Hall (the “H” in HLM), Michael L. Laverdure (the “L” in HLM), no longer with the Company, and Douglas M. McGaughey (the “M” in HLM), no longer with the Company, we pride ourselves in being a workplace that works hard, has fun, and serves our clients with exceptional service and support at a competitive price each and every day. Most importantly we are an employee-owned company.

More specifically, HLM Associates was formed with the intent of assisting its clients with identification and definition of security-related challenges and risks; establishing a course of corrective action; from execution to a successful conclusion; and aiding the sustainment effort.

HLM Associates’ top priorities are client satisfaction, security success, and risk mitigation. With this in mind, we established and embody the tagline, “Your security is our priority.”

Our business objectives include support to the National Industrial Security Program (NISP) industrial base (13,000+ cleared Defense Contractors), the U.S. Government (Defense, Intelligence, and Civilian agencies), and Commercial Industry.

## HLM Associates Mission, Vision, Values and Beliefs

### **Mission:**

Protect national security by navigating U.S. government security policies, assessing threats, mitigating risks, and enabling mission-ready operations across every client environment.

### **Vision:**

To grow exceptional leaders who communicate clearly, collaborate effectively, and deliver mission-ready performance in support of national security.

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**Values:**

**Clarity and Transparency:** Communicate early, often, and with context: clarity drives speed and trust.

**Ownership and Excellence:** Hold oneself ourselves accountable, take responsibility, respect each other's perspectives, and deliver work that reflects our highest standards.

**Team-first Collaboration:** Move as one elite unit, supporting each other, and eliminating silos as we strengthen our mission.

**Develop People Relentlessly:** Coach, mentor, and lead by example as a force multiplier.

**Ethics and Integrity:** Protect information, uphold ethics, and honor the trust placed in us.

**Adaptability:** Stay flexible, read the terrain, and adjust quickly as situations evolve.

We believe in:

- **Continuous Improvement** – Both for our own professional development and for the services we provide our clients, becoming an ever-better version of ourselves is important to the very core of HLM Associates. We must be mutually willing to constantly learn, improve, and innovate.
- **Rolling Up our Sleeves** – No matter your level in the organization, you're willing to dive in head-first to get work done and support the team. No one is above lending a hand and ensuring what needs to be done to achieve success.
- **Transparency** – We believe in being honest with our clients and with ourselves. You're willing to be open, trustworthy, and truthful in all Company work.
- **Creativity** – Our clients rely on our ability to be creative, to think “outside of the box,” and to deliver winning solutions. While you are a part of HLM Associates, you will strive to provide creative ideas and solutions to satisfy clients and help our business grow.
- **Excellence** - Our work is our art, and you will demonstrate attention to detail, pride, and the highest quality behind every client account and each Company project we work on.

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- **Experiences** – Learning by experience is the way we grow. We shouldn't be afraid of failure if we're trying, learning, and moving forward. You will push yourself to try new things both personally and professionally, and share lessons learned with your peers.
- **Growth** – Regardless of your position in the Company, we all share responsibility for professional growth and the growth of the Company. Business Development is everyone's responsibility, whether that be expansion of business with an existing client or something new. If you have an idea or new opportunity lead, please bring it forward. We can't chase everything, but we can't win new business if we don't try.

HLM Associates reserves the right to modify, alter, or discontinue any policies or benefits described in this Employee Handbook at any time, with or without notice, if it determines that a change is necessary or desirable. This Employee Handbook supersedes all previous policies and/or employee manuals and is effective per the date indicated on Page 1. If you have questions concerning this handbook or a policy, consult your supervisor for clarification.

While HLM Associates believes that the policies and procedures described in this handbook provide a sound basis for a good working relationship with you, nothing contained in this manual is intended to create, nor should it be construed to create, any expressed or implied covenant or contract of employment or a guarantee of any fixed terms or conditions of employment.

## **Terms and Conditions of Employment**

### **Affirmative Action Policy Statement**

It is the policy of HLM Associates to provide equal employment opportunities without regard to race, color, religion, sex, national origin, age, disability, marital status, veteran status, sexual orientation, genetic information, or any other protected characteristic under applicable law. This policy relates to all phases of employment, including, but not limited to, recruiting, employment, placement, promotion, transfer, demotion, reduction of workforce and termination, rates of pay or other forms of compensation, selection for training, the use of all facilities, and participation in all company-sponsored employee activities. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity or age limitations will be adhered to by the company where appropriate.

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As part of the Company's equal employment opportunity policy, HLM Associates will also take affirmative action as called for by applicable laws and Executive Orders to ensure that minority group individuals, females, disabled veterans, recently separated veterans, other protected veterans, Armed Forces service medal veterans, and qualified disabled persons are introduced into our workforce and considered for promotional opportunities.

Employees and applicants shall not be subjected to harassment, intimidation or any type retaliation because they have (1) filed a complaint; (2) assisted or participated in an investigation, compliance review, hearing or any other activity related to the administration of any federal, state or local law requiring equal employment opportunity; (3) opposed any act or practice made unlawful by any federal, state or local law requiring equal opportunity; or (4) exercised any other legal right protected by federal, state or local law requiring equal opportunity.

The above-mentioned policies shall be periodically brought to the attention of supervisors and shall be appropriately administered. It is the responsibility of each supervisor of the company to ensure affirmative implementation of these policies to avoid any discrimination in employment. All employees are expected to recognize these policies and cooperate with their implementation. Violation of these policies is a disciplinary offense.

The Affirmative Action Officer, Bradford K. Wible, Owner & Director of Operations, has been assigned to direct the establishment and monitor the implementation of personnel procedures to guide our affirmative action program throughout HLM Associates. A notice explaining the Company's policy will remain posted.

## Employment at Will

HLM Associates is committed to creating a work environment where every employee is respected and can contribute effectively to the mission, vision, and values of the organization. The firm is committed to ensuring that all employees are treated fairly and in a manner that maintains their personal and professional dignity. Employment at HLM Associates is entered into voluntarily and constitutes an "employment at will" relationship for no definite period. Nothing contained in this handbook, or any other HLM Associates publication, policy, statement, or practice gives any employee the right to be retained in the service of HLM Associates, or interferes with the right of HLM Associates to discharge any employee at any time, with or without cause. Similarly, Employees are free to resign from HLM Associates whenever they wish, with or without cause, at any time.

## Equal Employment Opportunity

HLM Associates provides equal employment opportunities to all employees, applicants, and job seekers, and is committed to making decisions using reasonable standards based on each individual's qualifications as they relate to a particular employment action (e.g., hiring, training, promotions, etc.).

No person will be discriminated against in employment or harassed because of race, color, religion, sex, sexual orientation, gender identity, national or ethnic origin, age, status as an individual with a physical or mental disability unrelated to ability, protected veteran status, military status, citizenship status, genetic information, marital status, parental status, ancestry, source of income, housing status, order of protection status, actual or perceived association with such a person or other classes protected by law. This policy includes the commitment to maintaining a work environment based on inclusion and free from unlawful harassment.

Under this policy, no employee or applicant will be subject to retaliation (including harassment, intimidation, threats, coercion, discrimination, etc.) because they have engaged, in good faith, in the following activities:

- filing a complaint under this policy with the Company, or with federal, state or local equal employment opportunity agencies.
- assisting or participating in an investigation or other activity related to the administration of any federal, state or local equal employment opportunity or affirmative action law.
- opposing any act or practice prohibited by this policy or federal, state, or local equal employment opportunity or affirmative action law.
- exercising any other right protected by federal, state, or local equal employment opportunity or affirmative action law.

Staff employees and applicants for employment should immediately bring any complaint of retaliation under this Policy to the business owner.

HLM Associates complies with all federal and state laws concerning the employment of persons with disabilities and acts in accordance with such regulations and guidance including the Americans with Disabilities Act (ADA). Employees with any questions or requests related to these laws and guidelines should contact the Company's owners.

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## Non-Discrimination Against Individuals with Disabilities

To strengthen our nation's commitment to end discrimination against qualified disabled individuals and comply with the Americans with Disabilities Act (ADA) and applicable state law, it is the HLM Associates policy that no program or activity administered by HLM Associates will exclude from participation, deny benefits to or subject to discrimination any individual solely by reason of his or her disability.

Employment opportunities will be extended to qualified disabled persons who are able to perform the essential functions of their jobs with or without reasonable accommodation in all aspects of employment, including but not limited to recruitment, hiring, training, promotion, transfer, discipline, layoff, and termination.

HLM Associates affirms that it will provide reasonable accommodations, including providing leave on account of a disability, for qualified employees with disabilities to the extent required by federal and state law. HLM Associates may require a doctor's certification of the disability and the need for reasonable accommodation.

A "disability" means a physical or mental impairment that substantially limits a major life activity and will be interpreted in accordance with applicable federal and state law.

## Pregnancy Discrimination Act Policy

HLM Associates hiring practices comply with The Pregnancy Discrimination Act (PDA); it is an amendment to Title VII of the Civil Rights Act of 1964.

"Discrimination based on pregnancy, childbirth, or related medical conditions constitutes unlawful sex discrimination under Title VII. Women affected by pregnancy or related conditions must be treated in the same manner as other applicants or employees who are similar in their ability or inability to work."

HLM Associates also complies with the Virginia Human Rights Act and its amendment, the Virginia Values Act (VVA) for all eligible pregnant and pregnancy-related concerns. The VVA follows the ADA regulation in that that it is an interactive process between the employee and Company. Reasonable accommodations are permitted for pregnant employees, to include but are not limited to the following:

- Temporary transfer to a less strenuous or hazardous position
- Assistance with manual labor

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- Job restructuring
- A modified work schedule
- Light duty assignments
- Leave to recover from childbirth.
- More frequent or longer bathroom breaks
- Breaks to express breast milk
- Access to a private location other than a bathroom for the expression of breast milk
- Acquisition or modification of equipment or seating

No employee will be forced to take leave if another reasonable accommodation is available that does not impose an undue hardship on the Company.

## Genetic Information Non-Discrimination Act (GINA)

Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA) protects applicants and Employees from discrimination based on genetic information in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment. GINA also restricts employers' acquisition of genetic information and strictly limits disclosure of genetic information. Genetic information includes information about genetic tests of applicants, employees, or their family members; the manifestation of diseases or disorders in family members (family medical history); and requests for or receipt of genetic services by applicants, employees, or their family members. Virginia law contains similar protections.

### Virginia GINA

Effective July 1, 2020, in addition to covering longstanding protected classes of race; color; religion; national origin; sex; and pregnancy, childbirth, or related medical conditions, the VHRA now covers sexual orientation, gender identity, and veteran status. In addition, race discrimination is now defined to include traits historically associated with race, including "hair texture, hair type, and protective hairstyles such as braids, locks, and twists."

## Religious Accommodations

HLM Associates will reasonably accommodate the religious practices of employees when this can be done without undue hardship to HLM Associates and/or fellow employees. Employees requiring an accommodation must submit a request to his or her supervisor. The employee's supervisor will grant the request so long as the accommodation does not result in an undue hardship to HLM Associates and/or to fellow employees.

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Methods of accommodation include but are not limited to using Paid Time Off, flexible scheduling of work hours, leave without pay, or permitting a nonexempt employee to make up time lost for the observance of religious practices.

## Anti-Harassment

HLM Associates is committed to maintaining a workplace that is free from discrimination and harassment of any kind or sort. Complaints of harassment will be responded to promptly and investigated thoroughly, with appropriate confidentiality consistent with the needs of a thorough investigation. All employees are expected to be truthful and to cooperate in any investigation of a possible violation of HLM Associates' non-discrimination and anti-harassment policies.

No employee will be subject to any form of retaliation for lodging a discrimination or harassment complaint or for expressing a concern that HLM Associates' non-discrimination and anti-harassment policies have been violated. HLM Associates also prohibits any form of retaliation against an Employee for cooperating in an internal or external investigation of any such violations. All Employees are expected and are required to participate honestly and truthfully.

Any Employee, supervisor, or management official who is found, after appropriate investigation, to have engaged in unlawful discrimination or harassment of any kind, including sexual harassment, will be subject to appropriate disciplinary action, up to and including immediate termination of employment.

## Sexual Harassment

HLM Associates takes a strong position against sexual harassment. "Sexual harassment" is defined as unwelcome conduct of a sexual nature that is sufficiently persistent or offensive to interfere with an employee's job performance or create an intimidating, hostile or offensive working environment. Sexual harassment is defined by the Equal Employment Opportunity Commission guidelines as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Under Title VII of the Civil Rights Act of 1964, there are two types of sexual harassment: a) quid pro quo; and b) a hostile work environment. Sexual harassment can be physical and psychological in nature. An aggregation of a series of incidents can constitute sexual harassment even if one of the incidents considered on its own would not be harassing. Employees are prohibited from harassing other employees whether the incidents of harassment occurred on employer premises and whether or not the incidents occurred during working hours.

Sexual harassment does not refer to non-offensive or occasional conduct of a socially acceptable nature or consensual personal and social relationships without a discriminatory employment effect. It refers to unwelcome conduct which is offensive to the individual, harmful to morale, and which interferes with the effectiveness of the business of HLM Associates. Sexual harassment can also take the form of suggestive comments, dirty jokes, and physical touching or horseplay. Any unwelcome verbal, written, visual, or physical conduct of a sexual or gender-specific nature is strictly prohibited and will not be tolerated by HLM Associates.

## Confidentiality Agreement

To protect Company assets, we require all employees to adhere to our non-disclosure agreement.

It is a condition of employment that every employee sign the HLM Associates Confidentiality Agreement, which will be provided under separate cover. Employees and contractors are required to not misuse confidential information, including internal and client information and communications.

Confidential information generally consists of non-public information about a person or an entity that, if disclosed, could reasonably be expected to place either the person or the entity at risk of criminal or civil liability, or damage the person or entity's financial standing, employability, privacy, or reputation. The Company is bound by law and/or contract to protect some types of confidential information, and in other instances the Company requires protection of confidential information beyond legal or contractual requirements as an additional safeguard.

Confidential information includes but is not limited to:

- Payroll records, salary, and non-public benefits information.
- Social Security numbers, driver's license numbers, state identification card numbers.
- Credit and debit card information; financial account information.

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- Personnel records, including but not limited to information regarding an employee's work history, credentials, salary and salary grade, benefits, length of service, performance, and performance and/or discipline actions.
- Individual conflict of interest information.
- Computer system passwords and security codes.
- Information regarding client accounts including client information.
- HLM Associate's internal business plans, tools, products, and strategy methods
- Information contained in an Employee's or client employee's Questionnaire for National Security Position (SF86).
- Information obtained while performing official duties would not normally be found in the public domain and is considered confidential and privileged.
- Client lists, bill rates, contractual information, statement of work, and other HLM Associates and/or client company information.
- Medical or other Personally Identifiable Information (PII) that may be governed by the Health Insurance Portability and Accountability Act (HIPAA).
- Any Human Resources information, including employee relations or investigation data; and all information related to hiring, disciplinary actions, and/or terminations.

## U.S. Government Personnel Security Clearances

As a "Cleared" U.S. Government contractor, many of our positions require employees to be able to "obtain and maintain" a U.S. Government-issued Personnel Security Clearance (PCL). Further, some positions may also require employees to be able to "obtain and maintain" a U.S. Government-issued Sensitive Compartmented Information (SCI) and/or Special Access Program (SAP) "Access." The inability of an employee to obtain and maintain PCL / Access required to fulfil the duties of their position may result in termination of employment at HLM Associates.

### Security Pre-screening

As a "Cleared" U.S. Government contractor, all candidates for employment must complete, sign, date, and return a "Security Personnel Evaluation Form" (provided under separate cover) prior to further consideration for an offer of employment. Failure to complete and return this document will result in termination of further consideration of employment with HLM Associates. Should information submitted in the security prescreening process be substantially different than official forms submitted to the U.S. Government, by the applicant, termination may result.

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## Security Infractions and Violations

As a “Cleared” U.S. government Company whose product is National Industrial Security Policy (NISP) support and expertise, we take any security infraction or violation very seriously. Cleared and non-Cleared Employees of HLM Associates are responsible for adhering to the highest of standards. All incidents of possible infractions or violations will be reported to the Facility Security Officer (FSO) and HLM Associates owners / and investigated by the Facility Security Officer. Recommended organizational, process, procedure, and/or employee corrective action(s) will be reviewed and approved by HLM Associates owners.

## Business Conduct and Ethics

All Employees are expected to observe the highest standards of business ethics and to comply with all laws, regulations, and contract requirements that are applicable to HLM Associates’ business. Failure to comply may subject the Employee as well as the Company to liability.

1. Gratuities. According to various federal laws including the Federal Gratuity Statute and the Federal Bribery Statute, Employees are prohibited from making, or causing others to make and/or provide bribes or illegal payments to promote Company interests. Prohibited actions include money, favors, gifts, costly entertainment, or inappropriate use of Company facilities. Acts of hospitality toward public officials and Government employees should be of such a nature as to avoid compromise. Where laws, regulations, and contract requirements are ambiguous or difficult to interpret, employees should contact their immediate supervisor and, if necessary, their next level of supervision.
2. Conflicts of Interest. Any material transactions between the company and its officers, directors, shareholders, employees, agents or affiliates, immediate family members of the foregoing, or any business in which any of them has an ownership, investment, employment, fiduciary, or other interest, must be disclosed to, and approved by, the owners of the company. Such disclosure and approval is required for any transactions with third parties (e.g., vendors, subcontractors, etc.) in which such Employees have a material interest. If an Employee encounters any such transactions, immediately notify the owners of the Company.

Conflicts of interest can arise when an Employee, a member of the Employee’s family, or an Employee-related business receives improper benefit because of the Employee’s status with HLM Associates. Unless prior approval is obtained in the matter described above, Employees should not take actions, conduct business, or make statements that create real, apparent, or potential conflicts with the Company’s interests. This includes

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but is not limited to taking a personal, proprietary, or financial interest in an entity with which the Company does business, competes with, or which could adversely, or appear to adversely, influence HLM Associate Employees in their employment with, or duties to, the Company.

Under no circumstances may an Employee participate in the selection, award, or administration of an HLM Associates' contract or subcontract if the Employee, a member of their immediate family, or business associate has any current or prospective interest (financial or otherwise), including current or prospective employment, in an entity being considered or selected for an award.

Employees may not have or obtain an outside job, business, financial interest, or activity that, because of its size, significance, or nature, adversely affects your performance or that conflicts or appears to conflict with the Company's interests. Outside employment may also constitute a conflict of interest if it places an Employee in the position of appearing to represent the Company, involving providing goods or services substantially like those of the Company, or lessening the efficiency and/or productivity normally expected of Employees. All outside employment must be discussed and documented with the Employee's Director. Employees must obtain written approval from their immediate manager before they obtain a position outside of the Company that pays money or other considerations that could be perceived to be in conflict with HLM Associates' interests. Any actual or possible conflict of interest situations should be raised as early as possible.

Federal law generally prohibits providing gifts of any kind to Federal officials and/or Federal Employees. There are some limited exceptions, including unsolicited gifts (such as business lunch), items that have a market value of less than \$20 per occasion, and total items that have a market value of less than \$50 per calendar year. Please consult the federal government guidelines for any updates in limits these limits. Please contact your manager in advance with any questions.

3. Dealing with Foreign Officials. In compliance with the Foreign Corrupt Practices Act (FCPA), HLM Associate employees, consultants or other agents must not promise, offer, or make any payments in money, products, or services to any foreign official in exchange for, or to induce favorable business treatment or to affect any government decision. If you are asked to make such a payment you must report this immediately to the owners of the Company.
4. Political Contributions. The Company will not contribute to political parties or candidates for office except as allowed by applicable campaign laws and regulations. Employees are free to make contributions or otherwise participate in political activities

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in their private capacities provided: (a) they do so on their own time away from Company premises and not using Company resources; and (b) they make clear that they are not acting or speaking on behalf of the Company.

5. Proper Accounting. All Company payments and other transactions must be properly authorized by management and be accurately and completely recorded on the Company's books and records in accordance with generally accepted accounting principles and established Company accounting policies. Employees must not make false, incomplete, or misleading entries or false or misleading reports. No undisclosed or unrecorded Company funds will be established for any purpose, nor should any Company funds be placed in any personal or non-Company account. All Company assets must be properly protected, and asset records regularly compared with actual assets with proper action taken to reconcile any differences.
6. Company-Private Information. Customers, pricing, know-how, and/or technology, and any other information that an Employee knows or should know is not publicly disclosed by HLM Associates or in the public domain. Upon termination of employment, Employees may not copy, take, or retain any documents or files containing Company confidential or proprietary information. An employee's agreement to protect the confidentiality and proprietary nature of such information is considered an important condition of employment. **Nothing in this policy is intended or should be construed to prevent or inhibit employees' compliance with legal disclosure requirements or exercise of their legally protected whistleblower rights.**
7. Acceptance of Costly Entertainment, Services, or Gifts. Employees may not accept costly entertainment, services, or gifts that may create the appearance of a conflict between the interests of the employee and the Company. Where gifts and services are unavoidable because of local customs, employees should report to the supervisor for a determination by the supervisor and the owners of the extent to which they are to be considered the personal property of the recipient.
8. Fair Competition. Employees will not enter into any understanding or arrangements with competitors that may unlawfully or disloyally affect pricing or marketing policies.
9. Professional Workplace. The Company is committed to maintaining a professional and productive work environment. Certain relationships have Contract Negotiations. According to the Truth in Negotiations Act (TINA) or Truthful Cost or Pricing Data, in negotiating contracts, Employees, Owners and/or Members must be accurate and complete in all representations. The submission to a government customer of a proposal quotation or other document or statement that is false, incomplete, or misleading can result in civil and/or criminal liability for the Company and the involved Employees.

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In negotiating contracts with the federal government, HLM Associates has a duty to disclose current, accurate, and complete cost in pricing data where such data is required under appropriate regulation.

10. Competitive Analysis. In conducting market analysis, Employees must not accept or use and/or share proprietary information with competitors. Supervisors must ensure that competitor proprietary information is not obtained or used in any fashion.
11. Charging of Cost/Timecard Reporting. Employees who file timesheets must be meticulous to do so in a complete and accurate manner. Under no circumstances will an Employee knowingly falsify information submitted on their timesheet.
12. Hiring of Federal Employees. Complex rules govern the recruitment and employment of current and former U.S. government Employees in the private industry. Prior clearance to discuss possible employment with, make offers to, or hire any current or former government Employee must be obtained from and managed by the owners. As a matter of routine, when interviewing current or former government employees, HLM Associates will always inform the interviewee that HLM Associates may require evidence that the interviewee has spoken to their government ethics counselor concerning the ethical and potential conflict of interest implications of accepting employment with HLM Associates as it relates to the individual's responsibilities as a government employee. If this requirement applies to specific individuals, it will be determined on a case-by-case basis.
13. Safeguarding Sensitive Data. Employees must not disclose to any outside party, except as specifically authorized by the owners, pursuant to established policies and procedures, any non-public trade secrets, private or confidential information, or other business, financial, personal, or technological information, documents, communications, plans, or data that have acquired during employment at HLM Associates. Such information may include but is not limited to information regarding HLM Associates' systems, processes, products, services, bids and proposals, clients, and/or the potential to interfere with business goals. Supervisors have a special and specific duty to promote and maintain a workplace free from harassment and discrimination and are expected to serve as examples for other Employees by adhering to the highest standards of professionalism in all their actions. Romantic or sexual relationships between supervisors and Employees may tend to disrupt operations, decrease productivity, negatively affect morale, and otherwise interfere with the fulfillment of Company goals. In certain circumstances, such relationships may also subject the Company to potential liability. The commencement and/or termination of any such relationship must be reported to the owners; Company management will

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decide whether reassignment to a different supervisor or other steps are necessary or warranted.

14. Reporting Violations. Supervisors are responsible for ensuring that all Employees adhere to provisions of the policy. For clarification or guidance on any point, please consult either the supervisors or owners. No adverse action, retaliation, or retribution of any kind will be taken against any Employee because they reported a suspected violation of this policy or other irregularities. Such reports will be treated confidentially to the maximum extent consistent with fair and rigorous enforcement of this policy.
15. Mandatory Disclosure Requirements of Crimes and Fraud. This policy is intended to comply with the Federal Government Contractor requirements to timely disclose violations of federal criminal law involving (1) fraud, conflict of interest, bribery, or gratuity violations; (2) violations of the False Claims Act; and/or (3) overpayments or waste on a government contract. All Employees and supervisors are expected to disclose such suspected violations in accordance with the reporting procedures set forth herein. The owners will conduct or arrange for an investigation to determine if credible evidence of such a violation exists, which would warrant written disclosure to the proper U.S. government officials, including the applicable agency office Inspector General and Contracting Officer, if the violation is in connection with a federal government contracting activity.

## **Operational Policies**

### **Employment Classifications and Categories**

It is the intent of HLM Associates to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period.

Accordingly, the right to terminate the at-will employment relationship at any time is retained by both the employee and HLM Associates.

### **Employment Classifications**

All employees are classified as either exempt or nonexempt for pay administration purposes, as determined by the federal Fair Labor Standards Act (FLSA). The definitions are summarized as follows:

- Exempt: Exempt Employees are Employees who, because of their positional duties, responsibilities, level of decision-making authority, and because they also meet

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applicable salary thresholds, are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). The basic premise of exempt status is that the exempt worker is to work all the hours required to meet their work responsibilities, irrespective of additional compensation. Exempt Employees must record every hour worked on their timesheet.

- Non-exempt: Non-exempt Employees are Employees who, because of their positional duties, responsibilities, level of decision-making authority, and because they also meet applicable salary thresholds, are subject to the FLSA's overtime pay requirements. Non-exempt Employees are compensated for all hours worked and paid overtime at the premium (time and one half) rate of pay after 40 hours worked in a work week. Overtime work must be approved in advance by the Employee's supervisor. Non-exempt Employees must record every hour worked on their timesheet.

## **Employment Categories**

In addition, HLM Associates has established the following categories for both exempt and nonexempt employees:

- Regular, Full-time: Employees who are regularly scheduled to work the Company's full-time schedule of 30 hours per workweek or more.
- Regular, Part time: Employees who are regularly scheduled to work at least 20 to 29 hours each week.
- Variable, Part-time: Employees who work a non-regular schedule, on an as needed basis with fluctuation in schedules based on customer and company needs and without a specified duration. Hours typically range between one (1) to 29 hours per week.

**See Enclosure 1: Employment Status / FLSA Classification Benefits Summary Table for the full list of which benefits each Employment Category is eligible.**

## **Independent Contractors**

HLM Associates utilizes 1099-based Independent Contractors (ICs) in the performance of some duties. IC personnel are non-Employees of HLM Associates. Rather, such individuals enter into an Independent Contractor Agreement (ICA) tailored to the specific needs of the Company, for a specific purpose, and a specific and specified length of time.

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ICs are responsible for their own and applicable local, state, federal, and all payroll taxes and insurance relative to payment received from HLM Associates and are ineligible to receive HLM Associates Benefits. Independent contractors can work for multiple companies concurrently and must supply their own equipment and supplies. They invoice the Company at the end of the engagement or monthly, depending on their negotiated agreement with the Company. ICs will not manage or supervise HLM Associates' employees, but based on their contractual position may serve as a team leader.

## Employment Files and Data

Official personnel files are maintained on all employees by management. Personnel files include documents related to an individual's association with HLM Associates. Such documents include employment applications, resumes, performance reviews and kudo letters, salary increase, bonus memos, disciplinary actions, and other relevant information.

An Employee may review their personnel file during normal office hours provided that an authorized representative of HLM Associates is present. Employee files and their content may not be removed from HLM Associates' offices. Employees may request copies of any item in their files; however, the decision of whether to provide copies of items in an employee's personnel file rests in the sole discretion of HLM Associates. All information contained in an Employee's personnel file is considered confidential and will be disclosed only on a need-to-know basis, at the discretion of management.

Any record that is requested by a government agency or subpoenaed by a court will be released in accordance with legal requirements. If it is possible to contact the Employee, HLM Associates will attempt to provide notice to the Employee before any record is released. Requests for verification of income or employment must be authorized by the Employee, unless otherwise required by law.

## Compensation and Pay

The amount of compensation Employees will receive is provided in the Employee-specific offer letter. In addition, HLM Associates is required to deduct specific amounts from your paycheck. These deductions may be taken pre-tax or post-tax depending on IRS tax rules.

### **Direct Deposit**

The Company strongly encourages that all Employees participate in direct deposit of their payroll check (and any other payments such as Expense Report reimbursements) into a recognized financial institution of their choice, checking, savings or other designated

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account. If a direct deposit account is not designated, a check will be mailed to the address of record for the Employee for any paycheck or expense reimbursement. We ask that no later than the first day of employment, all employees complete, sign, and date the Direct Deposit Form (provided under separate cover) and provide a required financial institution “Deposit Slip” which must include the encoded ABA and Account Numbers. This will facilitate the accurate and swift payment of all employee disbursements.

### **Pay Schedules**

HLM Associates utilizes the U.S. General Services Administration Bi-weekly Payroll and Holiday schedule (available online or from your supervisor). The standard two-week work cycle begins on a Sunday and ends on two Saturdays following the initial Sunday start date.

Employees at HLM Associates are paid on a bi-weekly basis (i.e., every two weeks) via direct deposit. There are 26 Pay Periods in any given year. Paychecks are deposited in the Employee’s designated financial institution account every other Wednesday. If a “Payday Wednesday” falls on a Federal Holiday, Employee paychecks are deposited the business day before.

Pay stubs are accessible via Employee Paychex Flex account the Monday before a “Payday Wednesday.”

### **Required Deductions for Federal and State Taxes**

As an Employee of HLM Associates, there are certain mandatory deductions under federal law that must come out of employees’ paychecks.

They are:

- Social Security (pre-tax)
- Medicare (pre-tax)
- Federal withholding taxes
- State withholding taxes Court-ordered garnishments, including but not limited to child support (post-tax), alimony, etc.

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## **Voluntary Deductions**

Voluntary deductions from an HLM Associates' employee paycheck may include participation in benefits programs such as medical, dental, and/or vision insurance. These are elective deductions and may be taken pre-tax as laws permit.

## **Other Deductions**

The Company may make deductions from an employee's pay for:

- For Exempt Employees, full day absences for personal reasons or sickness if Paid Time Off (PTO) has been exhausted. Non-exempt Employees are paid for all hours worked, so partial days will be paid if the hours to the extent that they are worked in these circumstances.
- Any days not worked in the initial and final weeks of employment.
- Hours taken as unpaid leave, with management approval.

## **Error in Pay**

If there is an error in the amount of pay, an Employee should promptly bring the discrepancy to the attention of their supervisor or management so that corrections, if needed, can be made as quickly as possible. HLM Associates has the right to recover overpayment amounts during the next pay cycle, in the occasion that these overpayments may occur for any reason.

## **Break Times**

To ensure productivity, Non-exempt employees are offered two (2) paid rest breaks of no more than 15 minutes each during an eight (8) hour day and an unpaid lunch time of at least 30 minutes, but no longer than one (1) hour during each eight (8) hour day.

## **Time Keeping**

As a U.S. Department of Defense Contractor, HLM Associates is required to comply with the rules and regulations of the Defense Contract Audit Agency (DCAA). Such rules and requirements include Employees completing a DAILY recording of their time. Employees are required to complete their timecards at the end of every daily shift, no later than 10:00 AM the following morning. Further, Employees are required to submit their weekly timecard by the end of day every Friday (no later than 10:00 AM every Saturday.) End of

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month timecards are due by the close of the business or end of day the last working day of each month. In submitting their timecard, Employees “certify” that all hours entered are accurately recorded to the correct Activity and Sub-Task. All time worked should be recorded in quarter hour (15-minute) increments on the timecard.

HLM Associates utilizes an electronic time recording software application. All Employee time is to be recorded utilizing this system.

Purposeful violation of this policy through fraudulent time entries is grounds for immediate termination.

### Expense Reimbursement

Employees will be reimbursed for Company-related expenses providing prior-management approval is obtained in writing. Employees are required to submit all such requests for reimbursement through the Expense Report Form via Onelynk within three (3) days of travel or by the 25th of the month for non-travel related expenses. Original receipts must be attached.

### Expanded Wage Payment Protections

The Virginia Wage Payment Act (VWPA), Virginia Code § 40.1-29, generally requires employers to pay salaried employees at least once a month and hourly employees at least once every two weeks or twice a month, and, upon termination of employment for any reason, to pay all final wages on the next regularly scheduled payday. In its current form, the VWPA authorizes DOLI to administer and enforce the statute, including investigating potential violations and assessing civil and criminal penalties.

### Expanded Protections for Sharing Wage Information

House Bill 622 prohibits employers from discharging or taking other retaliatory action against an employee because the employee (1) inquired about or discussed with, or disclosed to, another employee any information about either the employee’s own compensation or any other employee’s compensation, or (2) filed a complaint with the DOLI alleging a violation of the statute.

## Performance Reviews, Salaries and Bonuses

### **Performance Reviews**

As a means to objectively measure individual performance metrics for management purposes, the company shall conduct performance reviews based on non-subjective measurement of individual outputs and contributions to team effectiveness in relation to the company's overall performance in a given period. Management may, at its discretion, utilize the resources of a third party specializing in employee/employer performance measurement and analysis. All employees are subject to performance review compliance as directed by management, and management retains the right to add, edit, or replace an authorized performance management program at will for the benefit of the company.

### **Labor Category Pay Ranges**

**See Enclosure 2: Labor Categories and Pay Ranges.**

### **Bonuses**

All Employees have basic eligibility to receive periodic bonuses. Such bonuses, amounts, and scheduling will be at the sole discretion of the Manager of HLM Associates but may be influenced by the Advisory Board and the Owners of the company. (See Annual Bonus Program).

The Manager of HLM Associates will base bonus determinations and distributions on the following criteria:

- The Employee's successful integration in the company.
- The Employee's successful client engagement.
- The Employee's impact on the growth of the existing client-base.
- The Employee's impact growth of new clients.
- The Employee's participation and completion of a Performance Review program.
- The overall financial performance of HLM Associates, LLC.

### **Premium Pay for Direct Contract, Exempt Personnel**

Exempt Employees working "Direct-On Contract," with prior supervisory approval, may receive Straight-time-pay for Direct-On-Contract hours worked over 40 hours in a given week.

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- Example: An Exempt Employee charges 48 hours Direct-On-Contract in a given week will be paid their salary for the first 40 hours plus 8 hours of Straight-time-pay for the additional 8 hours.
- Premium pay will not be earned when including any other timecard category other than Direct-On Contract.

Contact your supervisor with any and all status questions.

## Dress Code

Employees are required to dress in appropriate business attire commensurate with the working environment. Employees are required to adhere to a business casual environment unless an elevated business attire is required for specific meetings or locations.

## Company Credit Card Use

HLM Associates Company credit cards are to be used for business purposes only and are not be used for an employee's personal use. Purposeful violation of this policy is grounds for immediate termination.

## Computers and Technology

The Company's information technology systems and the information served by those systems are valuable and vital assets to the Company. This includes all computer systems (hardware and software), communication systems (networks, telecommunications, video, and audio broadcast systems), and information (processes, documents, data, text images, etc.) in any form on any media.

The Company's information technology systems and all data that reside on them are Company property and may only be used in compliance with applicable law and Company and department policy. As a user of information resources, you are responsible for knowing about appropriate and ethical use of information in all environments you access, protecting the information you are using from corruption or unauthorized disclosure, working in such a manner as to consider the access rights of others, and following applicable guidelines concerning the use and nondisclosure of passwords and other means of access control.

Employees are to make full use of the Company network. All Company information is to be stored on the Company Server. Employees may download information to their individual computers for working purposes, but ultimately all Company information is to be stored on the Company Server.

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The Company has the right to monitor all of its information technology system and to access, monitor, and intercept any communications, information, and data created, received, stored, viewed, accessed or transmitted via those systems. Staff employees should have no expectation of privacy in any communications and/or data created, stored, received, or transmitted on, to, or from the Company's information technology systems. It is the employees responsibility to ensure they maintain CMMC compliance in accordance FARS and DFARS rules and regulations.

### Artificial Intelligence A.I. Policy

Do not use AI tools to make or help you make employment decisions about applicants or employees, including recruitment, hiring, retention, promotions, transfers, performance monitoring, discipline, demotion, or terminations. Do not upload or input any confidential, proprietary, or sensitive Company information into any AI tool. Examples include passwords and other credentials, protected health information, personnel material, information from documents marked Confidential, Sensitive, or Proprietary, or any other non-public Company information that might be of use to competitors or harmful to the Company if disclosed. This may breach your or the Company's obligations to keep certain information confidential and secure, risks widespread disclosure, and may cause the Company's rights to that information to be challenged. Do not upload or input any personal information (names, addresses, likenesses, etc.) about any person into any AI tool.

**Do not represent work generated by a AI tool as being your own original work!**

### Social Media

In the rapidly expanding world of electronic communication, "social media" can mean many things. Social media includes such obvious sites as Facebook, Twitter, and Instagram, as well as all means of communicating or posting information or content of any sort on the Internet, including to an employee's own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with HLM Associates, as well as any other form of electronic communication. If an employee's conduct on social media adversely affects individual job performance, the performance of fellow employees or otherwise adversely affects members, customers, suppliers, people who work on behalf of HLM Associates or HLM Associates' legitimate business interests, then he or she may be disciplined, up to and including termination. HLM Associates will not, however, unlawfully interfere with any employee's rights under the National Labor Relations Act.

Employees should carefully read these guidelines and HLM Associates' policies prohibiting harassment and discrimination, and ensure their postings are consistent with these policies. Inappropriate postings which include, among other things, discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject the employee to disciplinary action up to and including termination.

- ***Be respectful*** - Employees must always be fair and courteous to fellow employees, customers, members, suppliers or people who work on behalf of HLM Associates. Also, keep in mind that employees are more likely to resolve work-related complaints by speaking directly with co-workers or by utilizing our Open Door Policy rather than by posting complaints to a social media outlet. Nevertheless, if an employee decides to post complaints or criticism, avoid using statements, photographs, video or audio which reasonably could be viewed as malicious, obscene, threatening or intimidating, which disparage customers, members, other employees or suppliers, or which might constitute harassment or bullying. Examples of such conduct include offensive posts meant to intentionally harm someone's reputation or posts which could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or HLM Associates policy.
- ***Be honest and accurate*** - Employees must always be honest and accurate when posting information or news, and if an employee makes a mistake, he/she should quickly correct it. Employees should be open about any previous posts they have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any false information or rumors about HLM Associates, fellow employees, customers, suppliers, and people working on behalf of HLM Associates or competitors.
- ***Post only appropriate and respectful content*** - Maintain the confidentiality of HLM Associates trade secrets and private or confidential information. Trades secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- ***Respect disclosure laws*** - Employees may not create a link from their blogs, websites or other social networking sites to a HLM Associates website.

Employees should express only their personal opinions. Employees should never represent themselves as a spokesperson for HLM Associates. If HLM Associates is a subject of the content an employee is creating, the employee must be clear and open about the fact that

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he/she is an employee and make it clear that his/her views do not represent those of HLM Associates, fellow employees, customers, suppliers or people working on behalf of HLM Associates. If an employee does publish a blog or post online related to the work he/she does or subjects associated with HLM Associates, the employee must make it clear that he/she is not speaking on behalf of HLM Associates. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of HLM Associates.”

### **Using Social Media at Work**

Employees should refrain from using social media while on work time or on equipment provided by HLM Associates or the client, unless it is work-related as authorized by the employee’s supervisor or consistent with the Electronic Communication and Internet Use policy. Employees may not use HLM Associates email addresses to register on social networks, blogs or other online tools utilized for personal use.

### **Driving Policy and Driver’s Licenses**

HLM Associates Employees whose work requires operation of any motor vehicle must present a valid driver’s license if requested and must possess an acceptable driving record. Those Employees who drive as a part of their responsibility may be asked to submit a copy of their driving record to HLM Associates on a periodic basis. Any changes in an Employee’s driving record must be reported to management immediately. Failure to do so may result in disciplinary action, up to and including termination. Employees operating their own motor vehicle while on official Company business must be covered by their own insurer at the Employee’s expense as HLM Associates is not responsible for Employees driving their own vehicles. Mileage reimbursement is provided to Employees who use their own vehicle for Company business at the standard IRS mileage reimbursement rate.

Employees are solely responsible for any violations occurring while driving, in performance of HLM Associates business.

### **Inclement Weather**

There could be times when emergencies, such as severe weather or power failures, may disrupt HLM Associates’ and/or the customers’ normal business operations. If an emergency condition occurs during non-working hours, the Company will follow the lead of the customer, or the localized government agency (e.g., The Office of Personnel Management (OPM), Fairfax County Government in the Northern Virginia / DC suburban area) regarding office closures. The closing information will be disseminated through

employee email.

Missed work time because the Company closed during a weather emergency is not considered time worked. Employees may use their leave in these cases when working and/or if working from home is not possible. It should be emphasized that Employees' safety is of paramount importance, particularly during periods of inclement weather; it is strongly encouraged that Employees use their paid time off on these days rather than risk their safety in attempting to report to work. In cases of inclement weather and office closure, please check with management to confirm if work from home is authorized.

## Termination of Employment

The decision to terminate the employment relationship is a major one, and wherever possible should be done in consideration of both the needs of HLM Associates and the Employee. That being said, it is important to note that nothing in this section or elsewhere in this Employee Handbook is to be interpreted as a specific promise or guarantee of employment. Employees should understand that employment with HLM Associates is and remains "at-will." This Employee Handbook does not serve as an employment contract. That means that employment with HLM Associates is voluntarily entered into; an employee is free to resign at any time, for any reason or no reason at all; and HLM Associates may also terminate the employment of any Employee at any time for any reason or no reason at all.

## Voluntary Separation

The separation of an Employee who leaves HLM Associates of their own choice is considered to be a voluntary termination. If an Employee intends to resign, they should provide a letter of resignation to their immediate supervisor with as much notice as possible; preferably at least two weeks. HLM Associates requests, but realizes that it cannot enforce, a notice period of at least two weeks to foster a smooth transition. In some instances, HLM Associates may deem it appropriate for the resigning Employee to leave prior to the expiration of the notice period. This request should not be construed as a reflection on an Employee's integrity, but merely as an action in the best interests of business practice. The Employee will be paid the amount that they would have received had they continued to work for the remainder of their notice period.

An Employee will be considered to have resigned if they are absent from work without authorization for three (3) or more consecutive working days. An Employee will also be considered to have resigned if they are absent for three (3) or more working days beyond

the end of a previously approved leave. This is considered job abandonment and Employees who terminate under these conditions may be ineligible for rehire.

HLM Associates will provide a terminating employee with their final paycheck in accordance with the laws of the Commonwealth of Virginia. HLM Associates will process the final paycheck, including any salary due, less any legally mandated deductions and agreed upon additional deductions (i.e. advances, negative leave balances, etc.).

The last day of employment for a terminating Employee must be a workday in which the Employee is working, and cannot be a vacation day, leave without pay day, or a holiday.

### **Involuntary Separation**

Involuntary termination of employment is a separation initiated by HLM Associates, may take place as a result of misconduct, violation of HLM Associates' employment policies, including, but not limited to, illegal forms of harassment, performance related issues, business or workforce needs, and/or other matters, at the sole discretion of HLM Associates.

Before an Employee is terminated for performance-related reasons, HLM Associates will normally make a reasonable effort to inform the Employee of their unsatisfactory performance and offer suggestions and/or coaching for improvement. However, HLM Associates retains sole discretion to determine whether or not to implement performance management steps prior to termination.

Involuntary termination of an Employee can only be made by the owners. All recommendations for involuntary termination must be directed to at least one of the owners by the supervisor for final approval. Supervisors do not have authority to terminate Employees without prior approval from the owners.

### **Reduction in Force, Layoff, or Organizational Change**

Occasionally, reevaluation of HLM Associates' organizational structure, budgetary constraints, or other business needs or conditions may require a reduction in force. Every effort will be made to provide the affected Employees with a notice period. Reduction in force and/or reorganizations are classified as involuntary terminations.

### **Out-processing**

Upon termination, Employees are required to return all Company-provided property, which includes; but is not limited to client information and computers, company information and

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computers as well as accessories, and credit cards. The Company reserves the right to press legal action, if necessary, to collect Company assets from terminating Employees.

HLM Associates will pay the terminating Employee for any unused PTO at the company’s discretion according to Virginia law and may include the amount in the terminating Employee’s final paycheck. If needed, any funds due to the Company, including expense advances that are outstanding, and other payments will be recouped from an Employee’s final paycheck. If applicable, other Company payables that will be deducted from the Employee’s final paycheck may include any negative leave balance amounts, previously uncollected Employee out of pocket costs for benefits, etc.

**Employment Verifications and References**

All requests for employment references and/or verifications on former HLM Associates Employees must be directed to one of the owners. References will only be provided at HLM Associates’ discretion and upon receipt of written authorization from the former Employee. Unless specifically requested, for example for mortgage verifications, HLM Associates will only confirm dates of employment and job title.

**Unemployment Benefits for Separated Employees**

Eligibility for unemployment benefits is determined by the state in which the claim is filed. Determination and approval of unemployment compensation benefits are made at the sole discretion of the authorized state agency and are not made by HLM Associates’ employees or management. At its discretion, HLM Associates may contest unemployment claims.

**Non-Disclosure Agreements for Departing Employees**

During the hiring process at HLM Associates, all employees signed a Non-Disclosure Agreement. As a reminder, employees who separate from employment are not excused from their obligation to continue to safeguard and keep confidential the proprietary information of HLM Associates and their customers.

**Benefit Termination Dates**

Benefit	Benefit Termination
Medical, Dental, and Vision Insurance	Ends after the last day of the termination month.
Life Insurance and AD&D	Employer-paid basic life ends on the last day of employment. Voluntary life ends on the last day of the month.
STD and LTD	Ends on the last day of employment.

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Benefit	Benefit Termination
Simple IRA	Last employer contribution is with the departing employee's last paycheck.

## Professional Conduct

### Progressive Disciplinary Policy

Corrective action is a process designed to identify and correct issues that affect an Employee's work performance and/or the overall performance of the department. The progressive corrective action process should and will be handled consistently for each issue, when applicable. However, progressive discipline is not guaranteed, as HLM Associates is an "At-Will" employer and may choose to terminate an Employee at any time with or without cause.

The Progressive Corrective Action Process refers to the following actions:

1. Counseling / Warning: Documented by Supervisor/Director;
2. Written Reprimand / Warning with Corrective Action Plan: Documented by Supervisor/Director and co-signed by employee;
3. Termination: Failure to adhere to the documented Corrective Action Plan and/or repeat issue. Requires approval of HLM Associates Directors.

Depending upon the situation, any step may be repeated, omitted, or taken out of sequence; however, the Company reserves the right to effect immediate termination consistent with the rights as an at-will employer. Each case is considered on an individual basis.

Typically, a preliminary meeting is held with the Employee to allow the Employee an opportunity to understand the nature of the concern and to explain their position on the matter. If necessary, the corrective action documentation would then be put together which would summarize the issue, taking into account any additional information the Employee may have provided during the preliminary meeting.

When issuing corrective action, there should be clear and direct communication between the Employee and their immediate supervisor and Director. This communication should include a meeting between the Employee, their immediate supervisor, and/or Director and when appropriate, another Director of the company.

However, in serious workplace misconduct situations, an Employee may be discharged sooner and/or immediately. Serious workplace misconduct includes, but is not limited to:

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- Theft;
- Violence;
- Behavior/language of a threatening, abusive or inappropriate nature;
- Misuse, damage to or loss of Company property;
- Falsification, alteration or improper handling of Company-related records;
- Disclosure or misuse of confidential information;
- Unauthorized possession or concealment of weapons;
- Insubordination (e.g., refusal to carry out a direct assignment);
- Misuse of the Company's electronic information systems;
- Possession, use, sale, manufacture, purchase or working under the influence of non-prescribed or illegal drugs, alcohol, or other intoxicants;
- Any action that violates federal, state or local law;
- Security infractions and violations; and/or
- Job abandonment, defined as three or more consecutive days of not reporting to work or notifying your immediate supervisor of your inability to report to work.

If a situation occurs in which an employee is removed from a Client's facility at the Client's discretion and no replacement work is available to fill that employee's billable time, a termination decision may be made at the Director level.

## Open Door Policy

HLM Associates has an open-door policy that encourages an open environment for dialogue and discussion, as well as the raising of concerns. While we encourage Employees to solve any work-related issues at the lowest level possible, that is, with their immediate supervisors, HLM Associates encourages Employees to consult others if need be, including the next level manager and any member of management up to the owners of the Company. HLM's objective is to provide ease of access for Employees to find and provide solutions that may exist in the course of doing business.

HLM's goal is to encourage Employee to take every opportunity to bring forth concerns irrespective of whether or not the complaint is related to harassment, pay, rest periods, or time and attendance, among others.

If you have any immediate concerns and you need support, please utilize your chain of command as a best practice, up to and including the Company owners, if needed.

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## Whistleblower Protection

The Company maintains its commitment to integrity and ethical behavior. Additionally, the Company is committed to maintaining a workplace where employees are free to raise good faith concerns regarding its business practices. It is the responsibility of every employee to immediately report suspected violations of this policy, any applicable ethical standards, or federal, state, or local law.

In accordance with Whistleblower Protection regulations, the Company will not tolerate harassment, retaliation, or any type of discrimination against any Employee who:

- Makes a good faith complaint regarding suspected Company or Employee violations of the law or the HLM Associates Code of Business Ethics and Conduct;
- Makes a good faith complaint regarding accounting, internal accounting controls, or auditing matters that may lead to incorrect or misrepresentations in financial accounting;
- Provides information to assist in an investigation regarding violations of the law; and/or
- Files, testifies, or participates in a proceeding in relation to alleged violations of the law.

Examples of violations include, but are not limited to:

- Theft or other misappropriation of assets;
- Billing for services not performed;
- Misstatements and other irregularities in the records of the Company, including the intentional misstatement of the results of operations;
- Undisclosed conflicts of interest;
- Forgery, falsification, or other wrongful alteration of documents; and/or
- Fraud and other acts that are in violation of federal, state, or local laws.

If an Employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the Employee is to contact their immediate supervisor or an owner. The Employee must exercise sound judgment to avoid baseless allegations. An Employee who intentionally files a false report of wrongdoing will be subject to discipline. Adverse employment actions, such as demotion or termination, and discrimination, threats, and harassment, as a result of an Employee's decision to provide good faith information regarding violations of the law, will not be tolerated. In addition to reporting through the HLM Associates channels described above, no HLM Associates Employee will be subject to discrimination,

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retaliation, or reprisal of any kind for reporting or disclosing to any U.S. government official information, including confidential or proprietary information, that the Employee reasonably believes is evidence of a false claim, gross mismanagement, abuse of authority, or gross waste of funds relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule or regulation relating to a federal contract or grant.

### **Expanded Whistleblower Protections**

In 2020, Virginia's Fraud and Abuse Whistle Blower Protection Act prohibits private employers from discharging, disciplining, threatening, discriminating against, or penalizing an employee, or taking other retaliatory action regarding an employee's compensation, terms, conditions, location, or privileges of employment, because the employee (1) in good faith reports a violation of any federal or state law or regulation to a supervisor or to any governmental body or law-enforcement official, (2) is requested by a governmental body or law-enforcement official to participate in an investigation, hearing, or inquiry, (3) refuses to engage in a criminal act that would subject the employee to criminal liability, (4) refuses an employer's order to perform an action that violates any federal or state law or regulation and the employee informs the employer that the order is being refused for that reason, or (5) provides information to or testifies before any governmental body or law-enforcement official conducting an investigation, hearing, or inquiry into any alleged violation by the employer of federal or state law or regulation.

### **Drug and Alcohol-Free Workplace**

HLM Associates is committed to maintaining a workplace free from the effects of alcohol, illegal drugs, or other intoxicating substances which cause potential health, safety, and/or job performance problems. Substance use and abuse in the workplace endangers fellow employees, safety, company morale, and productivity. HLM Associates will act quickly to stop any drug-related or alcohol-related activity which interferes with a safe, healthful and productive working environment or threatens HLM Associates reputation in the community. The following practices are strictly prohibited:

- Using, possessing, manufacturing, selling or distributing illegal drugs or drug-related paraphernalia while on HLM Associates work time.
- Possessing or using alcoholic beverages on HLM Associates premises or client sites, with the exception of beverages served at an HLM Associates-sponsored functions or with Partner approval.

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- Selling or distributing prescribed medications or abusing prescribed medications while on HLM Associates work time.
- Selling or distributing over the counter medication or abusing over the counter medication while on HLM Associates work time.

Employees must report to work in an appropriate mental and physical condition, unimpaired by the use of alcohol or other intoxicants. If an employee is impaired due to a prescription medication, the employee must notify his or her manager prior to commencing work that day. Any employee found to be in violation of this policy will be removed from work and subjected to disciplinary action, up to and including termination of employment. Depending upon the circumstances, other action, including notification of appropriate law enforcement agencies, may be pursued. If employment is continued, the employee may be required to submit to follow-up drug testing and participate in and successfully complete a substance abuse program.

This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees must, however, consult with their doctors about the medications' effect on their fitness for duty and ability to work safely and promptly disclose any work restrictions to their Partner. Employees should not, however, disclose underlying medical conditions unless directed to do so.

From time to time, HLM Associates may sponsor functions where alcoholic beverages may be served to employees, who are 21 years of age or older. While employees may consume alcohol at such functions, all employees are expected to drink responsibly, exercise sound judgment and professional decorum at all times, and comply with HLM Associates standards of conduct.

### **Tobacco Free Workplace**

HLM Associates provides a smoke-free workplace and strictly prohibits the use of any tobacco products, including, but not limited to chewing tobacco, electronic cigarettes and vaporizers, on HLM Associates property or offices except in designated areas outside of the building where smoking is allowed.

Employees who smoke or use other tobacco products must observe the same guidelines as non-smokers for the frequency and length of break periods during the workday.

## **Marijuana Convictions**

As of 2020, Virginia employers are prohibited from asking employees, in an application, interview, or otherwise, from disclosing information concerning any arrest, criminal charge, or conviction relating to simple marijuana possession (i.e., up to one ounce of marijuana). However, this will not change any Federal requirements to report such activity during part of the security clearance process.

## **Weapons in the Workplace**

HLM Associates' Employees are prohibited from bringing any weapon, of any type, to any client worksite or meeting. Additionally, Employees are prohibited from having any weapon of any type in their vehicle while parked at a client worksite or meeting. Violation of this policy is grounds for immediate termination.

## **Violence-Free Workplace**

Any threat or act of workplace violence by any employee of HLM Associates will not be tolerated. Violation of this policy may be grounds for immediate termination.

Any credible threat or act should be immediately reported to HLM Associates owners. If an Employee is in fear of life or limb, Employees are encouraged to immediately inform local law enforcement.

Harassment and bullying will also not be tolerated. Employees who believe they are the victim of any such act should immediately contact HLM's management.

## **Human Trafficking and Compliance**

This policy applies to all HLM Associates Employees and all subcontractors and agents, performing work subject to Federal Acquisition Regulation ("FAR") 52.222-50, Combating Trafficking in Persons. HLM complies with the requirements of FAR 52.222-50, Combating Trafficking in Persons, which prohibits contractors performing work on government contracts from engaging in human trafficking, the use of forced labor or the procurement of commercial sex acts during contract performance. The Company takes trafficking in persons very seriously and will safeguard our Employees against these crimes. We will remain vigilant and ensure that all employees comply fully with the requirement. If Employees are found to be complicit in a trafficking in persons, HLM Associates will take swift action and thoroughly investigate the matter and resolve it up to and including termination of any complicit Employees.

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## **Employee Benefits and Leave**

### **Benefits Eligibility**

HLM Associates provides the following kinds of Insurance Benefits to all **full-time (30+ hours per week) employee**. There is no waiting period for benefit eligibility other than what has been defined by the insurer.

**See Enclosure 4: Summary of Insurance Benefits.**

### **Protected Health Information**

HLM Associates is committed to maintaining and protecting the confidentiality of our Employees' personal information in compliance with the Health Insurance Portability and Accountability Act (HIPAA). Management is the designated POC for all Employee medical information.

All medical information regarding Employees is strictly confidential. This includes but is not limited to workers' compensation claims and treatments, enrollments and claims for health and welfare benefits, and results of drug and alcohol tests, if any and/or applicable. Except as outlined below, no release is permitted without specific authorization from the Employee who is the subject of the medical information.

Employees' personnel files will not contain medical information. Documents containing medical information will be maintained in a separate file, marked "Confidential" and stored in a locked cabinet or drawer or in a secure computer file, as appropriate. We will treat the contents of the file as a confidential record as required by law.

Supervisors and management that have information regarding an Employee's medical restrictions and limitations as a result of a return-to-work program must maintain the confidentiality of the medical information. They must use the information only to accommodate the Employee's work assignment and duties or to administer first aid or emergency treatment.

Confidentiality is an important part of HLM Associates' job. Please feel free to talk to your supervisor or the management if you have confidentiality concerns.

Neither HLM Associates nor the benefit plans of the organization will use Employees' protected health information or disclose it to others without the Employees' expressed written authorization, except for the purposes outlined in the HIPAA documents issued by

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the health insurance carriers. Questions regarding this policy should be directed to management.

## Paid Time Off (PTO)

HLM Associates defines Paid Time Off (PTO) as any personal leave the Employee uses. This may be for illness, vacation, birthday, anniversary, wedding, caring for an ill family member or friend, inclement weather, or for no reason at all. To the extent possible (other than illness), advance coordination with an Employee's supervisor is required with a minimum of a two-week notice.

Granting a negative PTO balance is not a typical arrangement and will be at the sole discretion of management and considered on a case-by-case basis.

PTO must be entered on the employee's electronic timecard in quarter-hour increments.

## Use or Lose Leave

HLM Associate's can only carry over a maximum of 120 hours per calendar year for levels 1 – 6. Level 7 may carry over 160 hours per calendar year. Any exception will have to be received in writing from the company CEO.

### **See Enclosure 3: Summary of Leave Benefits.**

Annual PTO Accrual is based upon Employment Status and credited on a bi-weekly basis. Whether an Exempt or Non-Exempt, full-time or part-time employee, Employees are not eligible for additional PTO based on hours worked in a given week or two-week pay period.

- Example: A Labor Category 3, Non-Exempt full-time Employee works 80 hours over the course of the Bi-weekly pay period earns 3.08 hour of PTO. If the employee works 88 hours in a Bi-weekly pay period, they are paid for the additional 8 hours of Overtime at a rate of 1.5 times their hourly wage, but their PTO earned remains at 3.08 hours for the Bi-weekly pay period.

## Paid Holidays

HLM Associates follows the U.S. Government standard of eleven (11) federal holiday schedule:

- New Year's Day, January 1<sup>st</sup>
- Martin Luther King's Birthday, January 20<sup>th</sup>
- President's Day, February 17<sup>th</sup>
- Memorial Day, May 26<sup>th</sup>
- Juneteenth, June 19<sup>th</sup>
- Independence Day, July 4<sup>th</sup>
- Labor Day, September 1<sup>st</sup>
- Columbus Day, October 13<sup>th</sup>
- Veterans Day, November 11<sup>th</sup>
- Thanksgiving Day, November 27<sup>th</sup>
- Christmas Day, December 25<sup>th</sup>

The eleven (11) dates are fixed and standard across the Company for all Employees. If a holiday falls on a Saturday, that holiday is observed on the Friday before the weekend. If the holiday falls on a Sunday, the observance will be on the Monday after the holiday.

If Employees are required to work on holidays due to a business need or other circumstances, that Employee will be able to "bank" that holiday for use at another time during that same calendar month. Advanced coordination with an Employee's supervisor is required, should banking beyond the calendar month is request.

Part-time (Benefits Eligible) employees will receive 4 hours of pay for each holiday.

Holidays must be taken in 8-hour (for full-time exempt Employees) or 4-hour (for part-time non-exempt Employees) increments based on employee status and eligibility.

## Sick Leave

HLM Associates does not provide "Sick Leave." As stated above, we provide Paid Time Off (PTO) to be utilized by Employees as needed, regardless of the reason.

If an Employee is ill or injured, the primary focus of that Employee should be on regaining their health so they can return to their regular schedule, as well as to the workplace. Therefore, Employees who are sick should stay at home until such time as they are feeling better and are fit for duty. After 3 consecutive days of an Employee being ill, HLM

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Associates reserves the right to request the Employee to provide a medical professional's note that they are well and ready to return to work.

## Remote Work Policy

Many employees have come to value the flexibility that remote work offers. This balance is a significant factor in job satisfaction and employee retention. HMLA combines remote and in-office work, this approach offers flexibility, catering to the preferences of different employees while still enabling in-person collaboration when necessary. If you work more than 12 hours a week at home, you must submit a remote work policy to be approved annually. See addendum 2.

## Volunteerism Policy

HLM Associates encourages employees to become involved in their communities, lending their voluntary support to programs that positively impact the quality of life within these communities. The following guidelines are for HLM Associates' employees who serve as volunteers in 501(c)(3) non-profit community programs that are either of personal interest or are corporate-sponsored initiatives. The volunteerism and community involvement should be in good keeping with HLM Associates Mission, Vision, and Values.

### **Volunteer Time**

Employees may take up to 16 hours of paid volunteering reimbursement each year to participate in their specific approved volunteer activity. Volunteer time must be requested in advance and the individual should help with the coordination of other work-related responsibilities. Volunteer time should not conflict with the peak work schedule and other work-related responsibilities, create the need for overtime, or cause conflicts with other employees' schedules.

### **Eligibility**

All full-time employees are eligible. Interested employees must be meeting or exceeding performance standards for the work duties and assignments. Interested employees should meet with their managers to discuss their volunteer choice, schedule, and to receive approval prior to execution. A documented record of the event and photographs are encouraged by management where appropriate.

## Leave Without Pay (LWOP)

Leave Without Pay (LWOP) is an authorized absence from duty in a non-pay status.

LWOP may be granted upon the employee's request and covers only those hours that the employee would normally work or for which the employee would normally be paid. All requests for LWOP must be made in writing to the employee's supervisor.

Fair Labor Standards Act (FLSA) exempt employees must take LWOP in **1-day increments** except when they are taking leave protected under the Family and Medical Leave Act (FMLA). **No other timecard entry of any kind may be made on a day in which LWOP is taken.**

### Example:

A full-time, 40-hour per week, exempt employee requesting LWOP (except for FMLA) would be required to take 8 hours of LWOP per day requested.

Employees must exhaust their Paid-Time-Off (PTO) balance before LWOP is requested and considered for approval.

## Medical, Dental and Vision Insurance

Medical, dental, and vision insurance policies are completely voluntary elections by HLM Associates Employees. Employees may choose none, one, two, or all three coverages.

If an employee elects to have coverage, HLM Associates will pay its published portion of the insurance premium associated with the Employee's coverage. The Employee pays the remaining percentage of the Employee's coverage premium through bi-weekly, pre-tax payroll deductions.

If an Employee elects to also have coverage for their spouse, child or family, HLM Associates will pay its published rate of the additional insurance premium (above that of just the Employee) associated with this additional coverage. The Employee pays the remaining percentage of this additional coverage premium through payroll deductions.

Coverage that is elected at the time of hire remains in place through the HLM Associates' benefits plan year. During the open enrollment period, Employees may make changes to their coverage elections. Changes may also be made if the Employee experiences a qualifying life event, which includes but is not limited to birth of a child, adoption of a child, marriage, death, divorce, change of spousal coverage, etc.

## Flexible Spending Account (FSA)

HLM Associates offers full-time and part-time (20 hours+ per week / benefit-eligible) Employees who opt in for Medical coverage, a voluntary 125 Plan Flexible Spending Account. The Healthcare FSA plan allows Employees to defer up to \$3,400.00 per year for healthcare expenses and is 100% funded by the Employee. The Dependent Care FSA plan allows Employees to defer up to \$7,500.00 per year for child and adult daycare and is 100% funded by the Employee.

## Life Insurance

Life insurance is a non-voluntary election by employees of HLM Associates. This means Employees are automatically enrolled. HLM Associates pays 100% of the Employee's premium.

## Disability Insurance

Short-Term Disability (STD) and Long-Term Disability (LTD) insurance policies are non-voluntary elections by Employees of HLM Associates. This means Employees are automatically enrolled in both STD and LTD policies. HLM Associates pays 100% of the Employee's premiums.

## Accidental Death and Dismemberment Insurance

Accidental Death and Dismemberment (AD&D) insurance is a non-voluntary election by employees of HLM Associates. This means Employees are automatically enrolled. HLM Associates pays 100% of the employee's premium.

For all insurance offerings, the Summary Plan Descriptions may be found on the HLMA Shared Drive, within the All Employee Access folder, or by contacting your supervisor for more information.

## Family and Medical Leave (FMLA)

As a company with fewer than 50 employees, HLM Associates is not required to comply with the federal Family Medical Leave Act (FMLA). However, should a situation come up where leave might be required for a personal or family medical issue, we will review and provide unpaid leave or flexible working arrangements on a case-by-case basis for

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Employees in good standing who have worked full-time at the company for at least one (1) year.

## Bereavement Leave

HLM Associates provides up to three (3) days of paid bereavement leave dependent on your employment status (part-time or full-time). If additional time beyond this period is needed, the Employee's supervisor may authorize the use of annual leave or leave without pay. For the purposes of this policy, immediate family is defined as the Employee's spouse or domestic partner, parents, step-parents, parents-in-laws, children, siblings (including in-laws), grandparents, grandchildren, or relatives residing in the same household. Please see your immediate manager with any questions about the applicability of this benefit.

**See Enclosure 3: Summary of Leave Benefits.**

## Worker's Compensation Coverage

All Employees are covered by workers' compensation insurance, which may provide medical benefits and/or payments and partial compensation for loss of wages resulting from accidental, work-related injuries. HLM Associates pays the full cost of this coverage.

Employees must report any accident to management immediately in order for the legal requirements related to these benefits to be met. If immediate medical attention is required, Employees should seek treatment at the nearest medical facility.

## Training

HLM Associates encourages its Employees to maintain proficiency in their career. Full-time employees are eligible for 40 paid hours of relevant career and industry-specific training per calendar year. Part-time (benefits-eligible) Employees are eligible for 20 paid hours of relevant career and industry-specific training per calendar year.

All training hours must be business- and industry-specific and be pre-approved by the Employee's supervisor. Requests for training fees, travel expenses, etc. will be addressed on a case-by-case basis.

## Retirement

HLM Associates will contribute up to 3% of an employee's salary in the employee's Ameriprise SIMPLE IRA. Participation is voluntary.

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## **Enclosure 1: Employment Status / FLSA Classification Benefits Summary Table**

<b>Employment Status</b>	<b>Fair Labor Standards Action (FLSA) Classification</b>	
	<b>Exempt</b>	<b>Non-Exempt</b>
<b>Full Time</b> 30+ hours / week 1,560+ hours annually	<b>Salaried Employee:</b> Paid Time Off (PTO) 11 Holidays / year (88 hours) 24 Hours Bereavement Leave / year 40 Hours Continuing Education / year (supervisory pre-approval required) Medical / Dental / Vision 100% Employee Premium 25% Spouse / Child / Family Short & Long-Term Disability (STD / LTD) 100% Employer-paid Accidental Death & Dismemberment (AD&D) Insurance 100% Employer-paid \$50,000.00 Life Insurance 100% Employer-paid  Employee Election Option: Pre-Tax Cafeteria Plan (Section 125) Flexible Spending Account SIMPLE IRA (Up to 3% Salary Match)  As May Be Required: Home Internet Stipend Mobile Phone Stipend Company-provided Computer	<b>Hourly Employee:</b> Paid Time Off (PTO) 11 Holidays / year (88 hours) 24 Hours Bereavement Leave / year 40 Hours Continuing Education / year (supervisory pre-approval required) Medical / Dental / Vision 100% Employee Premium 25% Spouse / Child / Family Short & Long-Term Disability (STD / LTD) 100% Employer-paid Accidental Death & Dismemberment (AD&D) Insurance 100% Employer-paid \$50,000.00 Life Insurance 100% Employer-paid  Employee Election Option: Pre-Tax Cafeteria Plan (Section 125) Flexible Spending Account SIMPLE IRA (Up to 3% Salary Match)  As May Be Required: Home Internet Stipend Mobile Phone Stipend Company-provided Computer
<b>Part-Time</b> 20-29 hours / week Less than 1,508 hours annually  *Discount Health, Wellness, and Supplemental plans available through the Paychex PEO via "Smart Solution Plus Marketplace" (employee pays monthly, no payroll deduction available).	<b>Salaried Employee:</b> Paid Time Off (PTO) 11 Holidays / year (44 hours) 12 Hours Bereavement Leave / year 40 Hours Continuing Education / year (supervisory pre-approval required)  Employee Election Option: SIMPLE IRA (Up to 3% Salary Match)  As May Be Required: Home Internet Stipend Mobile Phone Stipend Company-provided Computer	<b>Hourly Employee:</b> Paid Time Off (PTO) 11 Holidays / year (44 hours) 12 Hours Bereavement Leave / year 40 Hours Continuing Education / year (supervisory pre-approval required)  Employee Election Option: SIMPLE IRA (Up to 3% Salary Match)  As May Be Required: Home Internet Stipend Mobile Phone Stipend Company-provided Computer
<b>Part-Time Variable</b> 1-29 hours / week Less than 1,508 hours annually	<b>Salaried Employee:</b> No Benefits	<b>Hourly Employee:</b> No Benefits

*Disclaimer: At the discretion of the owners, HLM Associates can update this information at any time.*

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## Enclosure 2: Government Labor Categories and Pay Ranges (GSA)

Labor Category	Title	Years of Experience	Minimum Education	FLSA	Hourly Pay Rate Band		Annualized Pay Band	
					Minimum	Maximum	Minimum	Maximum
1	Administrator 1	0 - 3	High School	Non-Exempt	\$18.00	\$22.90	\$37,440.00	\$47,624.00
2	Administrator 2	3 - 7	High School	Non-Exempt	\$21.63	\$29.12	\$45,000.00	\$60,578.00
3	Administrator 3	7+	Associates	Non-Exempt	\$28.25	\$40.87	\$58,750.00	\$85,000.00
4	Security Specialist	1 - 5	Associates	Exempt	\$28.85	\$38.65	\$60,000.00	\$80,400.00
5	Security Manager	5 - 10	Bachelors	Exempt	\$36.06	\$52.88	\$75,000.00	\$110,000.00
6	Senior Security Manager	10+	Bachelors	Exempt	\$45.67	\$67.31	\$95,000.00	\$140,000.00
7	Security Director	15+	Bachelors	Exempt	\$57.69	\$84.13	\$120,000.00	\$175,000.00
8	Senior Security Director	20+	Bachelors	Exempt	\$64.90	\$120.19	\$135,000.00	\$250,000.00

Pay bands will be reviewed at least annually to ensure competitive and in line with market data.

*Disclaimer: At the discretion of the owners, HLM Associates can update this information at any time.*

## Enclosure 3: Summary of Full Time Employee Leave Benefits

### Enclosure 3: Summary of Leave Benefits

Labor Category	BENEFITS *			
	Annual Paid Holidays (Days per Year)	Paid Training Days per Year	Paid Bereavement Days per Year	Volunteer Days per Year
1	11	5	3	2
2	11	5	3	2
3	11	5	3	2
4	11	5	3	2
5	11	5	3	2
6	11	5	3	2
7	11	5	3	2
8	11	5	3	2

\* Reflect Full-time Employee Benefits; Part-time employees eligible for Benefits receive half these amounts.

Labor Category	BENEFITS *					
	Year 0-2		Year 3-7		Year 8+	
	Minimum Annualized PTO Hours per Year	Minimum PTO Accrual Rate per pay Period	Minimum Annualized PTO Hours per Year	Minimum PTO Accrual Rate per pay Period	Minimum Annualized PTO Hours per Year	Minimum PTO Accrual Rate per pay Period
1	80	3.08	120	4.62	160	6.15
2	80	3.08	120	4.62	160	6.15
3	80	3.08	120	4.62	160	6.15
4	80	3.08	120	4.62	160	6.15
5	120	4.62	160	6.15	200	7.69
6	120	4.62	160	6.15	200	7.69
7	120	4.62	160	6.15	200	7.69
8	120	4.62	160	6.15	200	7.69

Reflect Full-time Employee Benefits; Part-time employees eligible for Benefits receive half these amounts.\*

*Disclaimer: At the discretion of the owners, HLM Associates can update this information at any time.*

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## Enclosure 4: Summary of Insurance Benefits

Enclosure 4: Summary of Insurance Benefits				
Full-time Employee Benefits				
VOLUNTARY				
	Medical Premium	Dental Premium	Vision Premium	125 Plan Flexible Spending Account
Employee Coverage	Company Pays 100%	Company Pays 100%	Company Pays 100%	Employee Pays 100%
Spouse, Child, Family Coverage	Company Pays 25% Employee Pays 75%	Company Pays 25% Employee Pays 75%	Company Pays 25% Employee Pays 75%	n/a
Full-time Employee Benefits				
NON-VOLUNTARY				
	Short Term Disability (STD)	Long Term Disability (LTD)	Life Insurance (\$50,000)	Accidental Death and Dismemberment (AD&D)
Employee Coverage	Company Pays 100%	Company Pays 100%	Company Pays 100%	Company Pays 100%

*Disclaimer: At the discretion of the owners, HLM Associates can update this information at any time.*

### STANDARD BENEFIT OFFERINGS:

#### Medical Insurance:

Aetna is the medical provider, with 4 different deductible options (1000/2000/4000/5000): <https://aetna.com>  
HLM pays 100% for Full Time Employees and 25% for Dependents.

#### -Over-the-Counter Health Solutions:

\$25 every 3 months to use on health and wellness products as part of your Aetna plan

#### -Virtual Visit Services:

Teladoc is a telemedicine service that provides virtual visits to you and eligible dependents with access 24 hours, 7 days a week to a U.S. boardcertified doctor to receive high-quality care anytime, anywhere.

#### -Make Managing Benefits Easier

BalanceCare is a free service available to help you resolve insurance claims, find doctors and hospitals, secure second opinions, schedule appointments with hard-to-reach specialists, learn about medical conditions

#### Dental Insurance:

MetLife is the provider: <https://metlife.com>  
HLM pays 100% for Full Time Employees and 25% for Dependents.

#### Vision Insurance:

Aetna Vision Care is the provider. <https://aetnavision.com>  
HLM pays 100% for Full Time Employees and 25% for Dependents.

#### Life / Accidental Death and Dismemberment (AD&D)

HLM pays for \$50,000 coverage, administered by MetLife. <https://metlife.com>

#### Short-term Disability (STD)

A type of insurance benefit that can replace up to 60% of an eligible employee's income when they are disabled and unable to work due to illness or an accident. HLM pays 100% of the premium for Full Time Employees. <https://metlife.com>

#### Long-term Disability (LTD)

A type of insurance benefit that can replace up to 60% of an eligible employee's income when they are disabled and unable to work due to illness or an accident, after STD has been exhausted. HLM pays 100% of the premium for Full Time Employees. <https://metlife.com>

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## **ADDITIONAL VOLUNTARY BENEFIT OFFERINGS**

### **FULL-TIME BENEFIT OPTIONS**

Life / Accidental Death and Dismemberment (AD&D) <https://metlife.com>  
Employee, Spouse and Child options

Employee Whole Life + Long Term Care Rider: <https://metlife.com>  
Employee only. Plan cost locked in at initial enrollment and builds value over time.

Legal Insurance: <https://metlife.com>  
Access to legal advice and representation on a wide range of matters, including wills, real estate, traffic offenses, etc.

Accident Insurance: <https://metlife.com>  
Provides a lump-sum payment for over 150 different covered events such as fractures, torn knee cartilage, third degree burns, etc.  
Employee, Spouse and Child options

Critical Illness: <https://metlife.com>  
Provides a lump-sum payment made directly to you to use any way you see fit for conditions such as heart attack, cancer, stroke, kidney failure, alzheimers, etc  
Employee, Spouse and Child options

Hospital Insurance: <https://metlife.com>  
Provides you a lump-sum payment to help cover costs that result from a hospitalization.  
Employee, Spouse and Child options

CHUBB Cancer Advocate Plus: <https://chubb.healthome.com/>  
A benefit designed to help save lives, offering personal and precise cancer management based on your DNA:

Flexible Spending Account (FSA)  
Plan allows the set aside of pretax dollars to pay for eligible expenses. Administered by and accessible through Paychex login.  
<https://login.flex.paychex.com/>

Employee Assistance Program:  
Employer-provided, free for you and your dependents, and available to full-time and part-time employees: <https://nexgeneap.com>

Financial Health Advocacy Services:  
Personalized financial wellness membership: <https://FinFit.com/Employee>

Gotzoom:  
Financial wellness benefit provider specializing in federal student loan relief: <https://www.gzenroll.com/paychex>

Working Advantage:  
Employee Discount Program for shopping, entertainment, and travel: <https://workingadvantage.com>

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## **PART-TIME BENEFIT OPTIONS**

### [Smart Solution Plus Marketplace - Discount Medical and Wellness Services](#)

#### Plan Highlights:

- Affordable Monthly Rates
- Month to Month Enrollment
- No Open Enrollment, Sign Up Anytime
- 30-day Money Back Guarantee

#### Plan Services:

- Virtual Primary Care
- Virtual Urgent Care - \$0 Consult Fee
- In Person Vision and Eyewear Savings
- Online Eyewear Savings
- Dental Discounts
- Chiropractic and Alternative Medicine Discounts
- MinuteClinic® 10% Discount
- Lab Services Discounts
- Diagnostic Imaging Savings
- Prescription Savings (Open Formulary)
- Patient Advocacy
- Aflac Supplemental Insurance
  - Accident: Get help paying for emergency treatment for covered injuries
  - Critical Illness: Get help with the cost of treating covered critical illness
  - Cancer/Specified Disease: Get help coping with the financial and emotional effect of cancer.

<https://Paychex.SSPMarketplace.com>

#### Discount Medical Disclosures:

*The discount medical, health and drug benefits (The Plan) are NOT insurance, a health insurance policy, a Medicare Prescription Drug Plan or a qualified health plan under the Affordable Care Act.*

*The Plan provides discounts for certain medical services, pharmaceutical supplies, prescription drugs or medical equipment and supplies offered by providers who have agreed to participate in The Plan. The range of discounts for medical, pharmacy or ancillary services offered under The Plan will vary depending on the type of provider and products or services received.*

*The Plan does not make and is prohibited from making members' payments to providers for products or services received under The Plan. The Plan member is required and obligated to pay for all discounted prescription drugs, medical and pharmaceutical supplies, services and equipment received under The Plan, but will receive a discount on certain identified medical, pharmaceutical supplies, prescription drugs, medical equipment and supplies from providers in The Plan.*

*The Discount Medical Plan/Discount Plan Organization is Alliance HealthCard of Florida, Inc., 5005 LBJ Freeway, Suite 1500, Dallas, TX 75244. You may call 1-877-718-4649 for more information or visit [Paychex.SSPMarketplace.com](https://Paychex.SSPMarketplace.com) for a list of providers.*

*The Plan will make available before purchase and upon request, a list of program providers and the providers' city, state and specialty, located in the member's service area. Alliance HealthCard of Florida, Inc. does not guarantee the quality of the services or products offered by individual providers. The fees for The Plan are specified in the membership agreement. The Plan includes a 30-day cancellation provision.*

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## Addendum 1: Working Hours Monthly

### Working Days 2026

Month	Number of working days	Number of business days	Number of weekends	Working hours monthly	Holidays
January 1-31	23	21	8	168	Thursday, January 01, New Year's Day Monday, January 19 - Birthday of Martin Luther King, Jr.
February 1-28	20	19	8	152	Monday, February 16 - Washington's Birthday
March 1-31	21	21	10	168	
April 1-30	22	22	8	176	
May 1-31	23	22	8	176	Monday, May 25 - Memorial Day
June 1-30	20	19	10	152	Friday, June 19 - Juneteenth National Independence Day
July 1-31	23	22	8	176	Friday, July 03 - Independence Day
August 1-31	22	22	9	176	
September 1-30	21	20	9	160	Monday, September 07 - Labor Day
October 1-31	23	22	8	176	Monday, October 12 - Columbus Day
November 1-30	21	19	9	152	Wednesday, November 11 - Veterans Day Thursday, November 26 - Thanksgiving Day
December 1-31	22	21	9	168	Friday, December 25 - Christmas Day

As a “Defense-contractor” all employees must complete detailed timecards. Timecards for full-time personnel must total the full number of hours for which they are normally scheduled to work (e.g., 80, 64, etc.) over a two-week pay cycle and for the monthly billing cycle they are working. PTO and LWOP may be used to balance this for employees.

1. Flex-time: HLM Associates, LLC provides all Full-time, Exempt (salaried) personnel considerable flexibility in their work-weeks to accommodate personal schedules. Should an employee need to take time off during the business day, they may choose to make up that lost time in the evenings or on weekends to complete their required number of hours over the two-week pay cycle / monthly billing cycle.
2. Holidays: HLM Associates, LLC provides 11 paid holidays per year in accordance with the Federal Holiday schedule. Holidays must be taken within the month that

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they are given but overall flexibility of the individual in keeping with the two week payroll cycle and monthly billing cycle.

3. Paid-Time-Off (PTO): Within the limits of what the employee has accumulated. PTO-Advances will not be allowed.
4. Leave Without Pay (LWOP): May be taken in 8 hour, full-day increments (as described in HLMA HR Policy Memo 1, dated September 9, 2020. No other timecard entries of any type are allowed on any day in which an employee enters a full day of LWOP.

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## **Addendum 2: Remote-Work Policy**

### **Remote-Work Policy**

As our workforce continues to operate with some or all employees working at client locations other than HLMA home office, the following expectations for employees are being clarified to avoid issues that may cause disruption to the workday and/or during virtual meetings.

### **General Expectations**

- All employees who work more than 12 hours a week at home will provide a remote-work plan to be approved by the HLMA CEO annually.
- Remote employees are expected to be available and communicative during scheduled work hours.
- HLMA handbook work rules and other policies continue to apply to offsite work locations.
- Consumption of alcohol during work hours is only acceptable during company sponsored events in which prior notice has been provided.
- Employees should seek a quiet and distraction-free working space, to the extent possible.
- Employees are expected to maintain their workspace in a safe manner, free from safety hazards.

### **Virtual Meetings**

- While distractions are often unavoidable, try to keep them to a minimum. No music or television in the background during meetings.
- Keep yourself muted during video or audio conferencing unless you are speaking.
- Video Conferencing: Always follow what the host or client is doing.
- Avoid eating a meal during a virtual meeting unless invited to do so by the meeting host.
- Smoking or vaping is not permitted during a video conference.
- Casual dress is acceptable; however, use discretion. No sleeveless tops, pajamas or other apparel that would not be appropriate to wear outside of your home.
- Avoid multi-tasking. Give your full attention to the meeting as if you were face to face.

We appreciate the effort that all our employees have shown in the transition of a hybrid work schedule, and we hope these guidelines help to clarify HLMA's expectations when teleworking.

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An employee's workload/portfolio may change throughout the year or year to year depending upon many factors. HLM reserves the right to adjust employee compensation and/or employer contributions commensurate with employee contributions.

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**Addendum 2: Attachment 1**

**Remote-Work Plan Sample**

Employee Name: \_\_\_\_\_

Date: \_\_\_\_\_

Supervisor Name: \_\_\_\_\_

This Remote Work Plan is intended to clearly define the amount of client engagement on-site vs remote engagement. This work schedule must be completed by the employee, approved by the supervisor, and signed by both the employee and CEO of HLMA.

<b>List All Clients</b>	<b>Location</b>	<b>Role</b>	<b>Hours at location Weekly</b>	<b>Hours at Remote Site Weekly</b>	<b>Weekly Hourly Totals</b>	<b>Frequency at client location per Month</b>
Client 1	Chantilly	Insider Threat PM	2	4	6	4X
Client 2	Chantilly	CPSO	8	12	20	8X
Client 3	Herndon	FSO	0	10	10	0X

Supervisor's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Start Date: \_\_\_\_\_

End Date: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Date: \_\_\_\_\_

HLMA CEO Approval: \_\_\_\_\_

Date: \_\_\_\_\_

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## Employee Handbook Acknowledgement

The Employee Handbook contains important information about the Company and I understand that I should consult my supervisor regarding any questions not answered in the handbook. I have entered into my employment relationship with the Company voluntarily and understand that there is no specified length of employment. Accordingly, either the Company or I can terminate the relationship at will, at any time, with or without cause, and with or without advance notice, at which time an Affidavit of Resignation Obligations must be executed, which reiterates requirements to return company-provided equipment, maintain confidentiality, and adhere to Non-Competition and Non-Solicitation clauses.

Since the information, policies, and benefits described in the Employee Handbook are subject to change at any time, I acknowledge that revisions to the handbook may occur. All such changes will generally be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the CEO/Manager of HLM Associates has the authority to adopt any revisions to the policies in this handbook.

Furthermore, I understand that this handbook is neither a contract of employment nor a legally binding employment agreement. I have had an opportunity to read the handbook and I understand that I may ask my supervisor any questions I might have concerning the handbook. I accept the terms of the handbook. I also understand that it is my responsibility to comply with the policies contained in this handbook and any future revisions made to it.

I further agree that if I remain with the Company following any modifications to the handbook, I accept and agree to such changes.

I have received a copy of the Company's Employee Handbook on the date listed below. I understand that I am expected to read the entire handbook. Additionally, I will sign the two copies of this Acknowledgment of Receipt, retain one copy for myself, and return one copy to the Company's representative listed below within ten business days of my hire date. I understand that this form will be retained in my personnel file.

\_\_\_\_\_  
Printed Name of Employee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Date

Return to: Ginger Nicholson, Office Manager at [gdh@hlma.net](mailto:gdh@hlma.net)

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## Personnel Information Update Form

Full Name: \_\_\_\_\_

Any other names used: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Male or Female: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: Cell: \_\_\_\_\_

Home: \_\_\_\_\_

Work: \_\_\_\_\_

Email Address (that you want us to use to send correspondence and your paystubs):

\_\_\_\_\_

### *Emergency Contact Information:*

Name: \_\_\_\_\_ Relationship: \_\_\_\_\_

Contact numbers: Cell: \_\_\_\_\_

Work: \_\_\_\_\_

Home: \_\_\_\_\_

Address: \_\_\_\_\_

*Please sign:* \_\_\_\_\_ *Date:* \_\_\_\_\_

Return to: Ginger Nicholson, Office Manager at [gdh@hlma.net](mailto:gdh@hlma.net)

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