



# **EMPLOYEE HANDBOOK**

## **About This Handbook**

The following pages contain information regarding many of the policies and procedures of Upstate Special Risk Services, Inc. This is not an employment contract and is not intended to create contractual obligations of any kind.

The policies and procedures outlined in this handbook will be applied at the discretion of Upstate Special Risk Services, Inc and we reserve the right to deviate from the policies and procedures of this handbook, or to withdraw or change them, at any time. We will notify you when an official change in policy or procedure has been made.

Upstate Special Risk Services, Inc. values the many talents and abilities of its employees and seeks to foster an open, cooperative and dynamic environment where employees and the company alike can thrive. If you would like further information or have questions about any of the policies and procedures outlined in this handbook, please feel free to bring them to the attention of our managing director.

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## **Standard Employment Practices**

### **At Will Employment**

Upstate Special Risk Services, Inc. does not offer tenured or guaranteed employment. Unless Upstate Special Risk Services, Inc. has otherwise expressly agreed in writing, your employment is at will and may be terminated by you or by Upstate Special Risk Services, Inc. at any time, including after the evaluation period.

### **Equal Employment Opportunity**

Upstate Special Risk Services, Inc. is committed to providing equal employment opportunities to all individuals without regard to race, color, religion, sex, national origin, age, disability, marital status, sexual orientation, or any other characteristic protected by law. For further information about the applicability of Federal Equal Opportunity Laws, including the Americans with Disabilities Act, the Equal Pay Act, the Age Discrimination in Employment Act, see Exhibit D in the Appendices.

Upstate Special Risk Services, Inc. does not discriminate on the basis of gender in compensation or benefits for women and men who work in the same establishment and perform jobs that require equal skill, effort, and responsibility and which are performed under similar conditions.

Upstate Special Risk Services, Inc. will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. An employee with a disability for which reasonable accommodation is needed should contact the Managing Director to discuss possible solutions.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of the Managing Director. Employees can raise legitimate concerns and make good faith reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including discharge.

### **Sexual and Other Unlawful Harassment**

Upstate Special Risk Services, Inc. will endeavor to maintain a work environment that nourishes respect for the dignity of each individual. This policy is adopted in furtherance of that tradition.

It is against the policies of Upstate Special Risk Services, Inc. for an employee to harass another person because of the person's sex, race, color, religion, national origin, age, disability, sexual orientation, marital status, or other characteristic protected by law. Actions, words, jokes, or comments based on such characteristics will not be tolerated.

Consequently, it is against the policies of Upstate Special Risk Services, Inc. for an employee to sexually harass another person. Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or environment.

Any employee who believes that he or she is being unlawfully harassed should immediately contact their supervisor or the Managing Director.

All complaints of harassment will be promptly, thoroughly and confidentially investigated and, where necessary, appropriate corrective action will be taken. Any person found to have unlawfully harassed another employee will be subject to appropriate disciplinary action, up to and including discharge.

### Immigration Law Compliance

Upstate Special Risk Services, Inc. does not hire anyone that is not a citizen of the United States, or is not a non-citizen that is authorized to work in the U.S under the Immigration Reform and Control Act of 1986. As a condition of employment, all new and past employees must show valid proof that they are eligible to work in the United States. An overview of the Immigration Reform and Control Act can be found at Exhibit D in the Appendices.

### Criminal Convictions

Upstate Special Risk Services, Inc. reserves the right not to hire or retain anyone that has been convicted of a criminal offense. Conviction of a crime that involves dishonesty may result in an automatic termination of employment. Before any decision is made, the nature of the crime and circumstances surrounding the conviction will be considered.

### Evaluation Period

During the first six months of your employment with Upstate Special Risk Services, Inc., you will be in an “evaluation period.” During this time, your supervisor will continually evaluate your performance and compatibility with Upstate Special Risk Services, Inc.. Should your performance not meet the standards set forth by Upstate Special Risk Services, Inc. or your supervisor, your employment will be terminated. Upon completion of the evaluation period, you will be eligible for additional benefits, as set forth in the benefits information you received upon employment.

### Standards of Conduct

Upstate Special Risk Services, Inc. expects that all employees conduct themselves in a professional and ethical manner. An employee should not conduct business that is unethical in any way, nor should an employee influence other employees to act unethically. Furthermore, an employee should report any dishonest activities or damaging conduct to an appropriate supervisor.

In the event that you become aware of another employee’s behavior or actions, which you believe are inappropriate, illegal, problematic, or in any way inhibit or affect your job performance or the Upstate Special Risk Services, Inc. work environment, you should discuss such behavior or actions with the President, the Managing Director or other appropriate management personnel.

All reasonable concerns will be promptly, thoroughly and confidentially investigated by Upstate Special Risk Services, Inc. and, where necessary, appropriate corrective action will be taken. You should not discuss such

actions or behavior with other Upstate Special Risk Services, Inc. employees. Your discussing such matters with other employees may – in and of itself – create an unacceptable work environment for which you will be held responsible and for which you may be disciplined in accordance with Upstate Special Risk Services, Inc.'s disciplinary policy.

#### Personnel File

Upstate Special Risk Services, Inc. keeps personnel files on each of its employees. These files are confidential in nature and are managed by the Managing Director. They will not be copied or be removed from the premises unless there is a legitimate business reason to do so.

All employees may view his or her personnel file by contacting the Managing Director during normal business hours. No employee may alter or remove any document in his or her personnel file.



## General Policies and Procedures

### Orientation

In accordance with federal law, both new employees and re-hires will be required to provide documentation of identity and eligibility to work in the United States. The I-9 form will be used for this purpose.

New employees will also receive a copy of the Employee Handbook and will be given the time to read it and ask any clarifying questions of the Managing Director. The signed copy of the "Acknowledgement & Receipt of Understanding" will be placed in the employee's personnel file.

### Reporting Changes

You are responsible for promptly notifying the Managing Director of any change in your name, address, telephone number, marital status, citizenship, tax withholding allowances, emergency contact information, insurance beneficiary, or dependent insurance coverage. Accurate and correct information is vital for benefits and insurance records and other Company files.

Each employee is required to notify the Managing Director, in advance, of the dates of all approved vacation or leave time to be taken. Additionally, employees are to inform the Managing Director of sick days taken and excessive lateness in arriving at work.

### Job Classifications

Employees are classified by two major categories: "Exempt" and "Non-exempt." This handbook applies to both Exempt and Non-Exempt employees.

- (1) Exempt employees are generally salaried and fall into one or more of the following four classifications: executive, professional, administrative, or sales. These employees are exempt from the applicable provisions of state and federal wage and hour laws (FLSA).
- (2) Non-exempt employees are eligible to receive pay in accordance with state and federal wage and hour laws (FLSA). These employees are required to submit a time record for each pay period, approved by the appropriate supervisor, for the purpose of tracking hours worked and calculating compensation.

Employees are also classified within one of the following three statuses:

- (1) Full-time: any employee that is regularly scheduled to work 35 hours a week or more. Full-time employees are eligible for standard company benefits.
- (2) Part-time: any employee that is regularly scheduled to work less than 35 hours per week. Part-time employees are not eligible for standard company benefits.
- (3) Temporary: any temporary work that has a predetermined start and end date of employment. Temporary employees are not eligible for standard company benefits.

### Pay Periods

All employees are paid bi-weekly. The week ends on the Wednesday of pay week and checks and/or automatic deposits are made on the Thursday of a pay week. When a regularly scheduled pay period falls on a holiday, employees will be paid the day before the holiday.

### Hours of Work

Upstate Special Risk Services, Inc.'s standard work week for full-time employees is five days. Schedules may vary based on the company's needs. Employees may not deviate from the company's hours of work, unless a manager or supervisor specifically approves a request. Flex hours will be considered on a case by case basis with the understanding that the hours that our office is open must be covered.

The office is open from 9:00 a.m. to 5:00 p.m., Mondays through Fridays. Upstate Special Risk Services, Inc.'s preference is for employees to work within this schedule. Flex hours will be considered on a case by case basis with the understanding that the hours that our office is open must be covered. Employees are asked to make every effort to align their hours with office hours. This is in order to facilitate consistent and reliable availability for meetings and other interactions, which are elemental to the smooth operation of this business.

### Breaks

Upstate Special Risk Services, Inc. managers determine appropriate lunch breaks per their needs. Typically, employees working for more than four consecutive hours are provided with a meal break of 30 minutes. Breaks are scheduled throughout the workday, so as not to disrupt the business processes of Upstate Special Risk Services, Inc.

### Time Keeping

Non-exempt employees are required to log time-in, time-out and any non-compensated breaks.

### Overtime

For non-exempt employees it is expected that there will not be overtime. In the event that there is an occasion to exceed forty (40) hours in any given week, that time will be available for future paid time off. For each hour worked in excess of forty (40) hours, one hour will be accrued toward vacation or personal time.

The calculation of overtime hours will not include holiday, sick leave or vacation days during a given scheduled workweek.

### Salary Increases

Salary increases are based on performance or promotion. All salary increases are at the discretion of an employee's supervisor and/or the Managing Director.

## Payroll

Both exempt and nonexempt employees will have federal and state taxes withheld from their wages. Payroll checks will not be released prior to the set pay schedule for any reason, nor will they be released to anyone other than the employee.

## Performance Reviews

Every Upstate Special Risk Services, Inc. employee will be subject to a performance appraisal at least once a year. The employee's supervisor or the Managing Director will give these reviews. The reviews will focus on job-related strengths and weaknesses, as well as overall fit with the company. Goals and improvement plans will be mapped out each review period and progress will be measured at the next review.

Performance reviews will determine salary increases and promotions. Employees will have the opportunity to thoroughly review all performance appraisals and provide a written opinion. All performance reviews and responses will become part of an employee's personnel file.

## Bonus Structure

Upstate Special Risk Services, Inc. may institute a bonus structure or incentive plan at any time. Upstate Special Risk Services, Inc. guarantees no bonus plans. Any bonus structure will be determined by management and will likely include some level of performance achievement. Employees will receive notice of any additions, subtractions, or changes to any new or existing bonus structure.

## Expense Reimbursement

Upstate Special Risk Services, Inc. will reimburse employees for reasonable pre-approved business expenses. Reasonable expenses while traveling on company business include travel fares, accommodations, meals, tips, telephone and fax charges, entertainment of clients and purchases on behalf of the company. Local expenses include company purchases, taxi or public transportation fares when on company business and entertainment of clients.

All expenses must be submitted via the required expense form and approved by the employee's supervisor prior to submission for reimbursement. Whenever possible and in situations where the employee may question the reasonableness of an expense, the employee should secure approval in advance of incurring the expense. Unreasonable or excessive expenses will not be reimbursed. Any questions should be directed to the employee's supervisor or managing director.

## Attendance & Punctuality

Punctuality and regular attendance are important to the smooth operation of Upstate Special Risk Services, Inc.. If you are consistently late or excessively absent, Upstate Special Risk Services, Inc.'s ability to perform work is affected and an unfair burden is placed on your co-workers. Therefore, unless your absence is permitted or excused under Upstate Special Risk Services, Inc.'s holiday, vacation, sick or other policies, you are responsible for being at work and arriving on time. If you are going to be absent or late, it is your responsibility to call your supervisor as soon as possible, preferably in advance of lateness and no later than

one hour after the start of the workday. If you are absent for several days, you must notify your supervisor each day.

An employee who is absent for reasons other than those permitted or excused by Upstate Special Risk Services, Inc.'s holiday, vacation, or leave policies, or who repeatedly fails to provide notice as required, will be subject to appropriate disciplinary action, up to and including discharge.

### Availability for Work

Employees must be available for work during normal business hours. Our office hours are 9:00 AM to 5:00 PM, Monday through Friday. If, for any reason, there is a change in your work availability status, you must notify your supervisor at least one week prior to the change.

### Mandatory Meetings

Employees may be required to attend mandatory team meetings. In the event that a mandatory meeting interferes with an employee's regular schedule, no overtime will be paid for attendance. This includes employees who may be telecommuting or job sharing.

### Telecommuting

Employees may be approved for telecommuting under Upstate Special Risk Services, Inc.'s offsite workforce program. Telecommuting is generally discouraged, but may be allowed if it can be shown that it will improve the employee's performance or productivity. Telecommuting arrangements must not disrupt the daily activities of a group or workflow. Both a supervisor and the President of the company must approve all employee telecommuting arrangements. No telecommuting arrangement will be considered permanent and the policies may be reviewed and altered at any time.

### Job Sharing

Employees seeking to reduce their workload or hours may submit a proposal for a job sharing arrangement to their supervisor. The employee asking for the job sharing arrangement will be expected to assist management in finding and training a job sharing partner. Job sharing arrangements must not disrupt the daily activities of a group or workflow. Both the supervisor and the President of the company must approve all employee job sharing arrangements. No job sharing arrangement will be considered permanent and the policies may be reviewed and altered at any time.

### Holidays

The following are paid holidays for eligible employees:

- New Year's Day
- President's Day
- Memorial Day
- Independence Day and additional day either before or after depending on when it falls. May also be offered as a floater, again depending on when the day falls

- Labor Day
- Thanksgiving Day and the following Friday
- Christmas Eve
- Christmas Day – or floater
- New Year's Eve

Note: Upstate Special Risk Services, Inc. will make reasonable efforts to accommodate holidays pertaining to an employee's established beliefs that are not included in the above list. Employees should speak with their supervisors to obtain approval for taking time off to observe such holidays.

### Vacations

Vacation time is offered to full-time eligible employees based on a 'Years of Service' schedule, as outlined below:

- 1<sup>st</sup> year: 5 working days per year, earned at a rate of 5/6 of a day for each full month of employment per calendar year.
- 2<sup>nd</sup> through 4<sup>th</sup> years: 10 working days per year, earned at a rate of 1-1/4 days for each full month of employment per calendar year.
- 5<sup>th</sup> year through 10<sup>th</sup> year: 15 working days per year, earned at a rate of 1-2/3 days for each full month of employment per calendar year.
- 10+ years: 20 working days per year

\* The 1st year of service is considered the year in which Eligible Employee status is attained. For example, 2008 would be considered the 1st year of service for an employee whose start date falls in October, November or December of 2007.

Vacations are earned from January 1 to December 31 of each calendar year and are taken in the same year in which they are earned (for example, vacation time earned in 2008 is to be taken between January 1, 2008 and December 31, 2008). Vacation time must be scheduled and approved in advance by your supervisor. Upstate Special Risk Services, Inc. will not carryover or pay out any unused vacation time from one year to the next, unless required to do so by state law.

An authorized company holiday that falls on a normal business day during your vacation is not counted as a vacation day.

If you wish to use vacation days on the day or days before or after a major holiday, they must be approved in advance by the Managing Director. These days need to be necessarily limited to make sure the office is properly covered during normal business hours.

When given advance notice, Upstate Special Risk Services, Inc. will consider requests for additional time without pay. If you have a special type of vacation in mind, talk to your supervisor to see if a solution can be reached.

### Drugs and Alcohol

Upstate Special Risk Services, Inc. will not tolerate the use or possession of alcohol or illegal drugs on the job or on company property.

Employees using or possessing alcohol or illegal drugs on company property or while at work or who report to work under the influence of alcohol or illegal drugs will be subject to disciplinary action, up to and including discharge.

### Violence & Weapons

Upstate Special Risk Services, Inc. takes threats of violence extremely seriously. Any act or threat of violence by or against any employee, customer, supplier, partner or visitor is strictly prohibited. This policy applies to all company employees, whether on or off company property.

Any use or possession of weapons, whether illegal or not, is prohibited on company property, or while on company business. This includes knives, guns, martial arts weapons, or any other object that is used as a weapon. Any employee caught possessing a weapon will be disciplined, up to and including termination.

### Smoking

Smoking is not allowed in Upstate Special Risk Services, Inc. offices.

### Food and Beverages

Upstate Special Risk Services, Inc. sometimes has visitors in the office. The company's surroundings should always reflect a professional appearance. Eating at your desk is acceptable, but should be done unobtrusively and in a manner so as to prevent damage to valuable company equipment and other property. All employees are personally responsible for keeping the area around their workstation clean and presentable. Employees are also responsible for returning meeting areas to a clean and presentable condition after use.

### Recycling

Upstate Special Risk Services, Inc. supports environmental awareness by mandating recycling in the workplace. Employees should dispose of bottles, cans and paper in the appropriate recycling bins. Employees are also encouraged to conserve energy by shutting down their computers, monitors and printers at night and by turning off the lights when not needed.

### Workplace Attire

Upstate Special Risk Services, Inc. has a casual dress environment. However, employees are expected to use good judgment and taste and to show courtesy to their co-workers and associates by dressing in a fashion that is presentable and appropriate.

Employees are to dress in appropriate business attire for meetings with clients or vendors at Upstate Special Risk Services, Inc.'s offices or other locations.

#### Telephone Use

Telephones are provided to enable employees to carry out work assignments in an efficient manner. Personal telephone calls should be kept to a minimum and personal toll calls should not be made at Upstate Special Risk Services, Inc.'s expense.

#### Voice Mail and Electronic Mail

All electronic and telephone communication systems and all communications and information transmitted by, received from, or stored in these systems are the property of Upstate Special Risk Services, Inc. and as such are intended for job-related purposes. Personal use should be kept to a minimum. Electronic or telephone communication systems may not be used to transmit messages that may be considered inappropriate under Upstate Special Risk Services, Inc.'s policies, including those prohibiting harassment. Employees are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized company representative. All pass codes are the property of Upstate Special Risk Services, Inc. and may be used by Upstate Special Risk Services, Inc. to access electronic and telephone communications at any time. Upstate Special Risk Services, Inc. reserves the right to monitor any electronic, telephone, or other communications made using Upstate Special Risk Services, Inc. systems or property.

#### Use of Company Vehicles

All company vehicles are to be used for business purposes only. Employees using an assigned vehicle for personal purposes must receive written authorization from a supervisor to do so. Employees should not rent a vehicle, nor use their own car when a company vehicle is readily available.

#### Use of Company Property

All company workspace, including file cabinets and lockers are the property of Upstate Special Risk Services, Inc. and must be available to management at all times. The use of personal locks on any company property is strictly forbidden. No company property may be used to house personal files or items. No company equipment, including computers, photocopiers or printers may be used for personal business.

#### Postage, Shipping and Office Supplies

Postage, shipping and office supplies paid for by the company are for business purposes and are not to be used for an employee's personal purposes.

#### Personal Property

Upstate Special Risk Services, Inc. does not assume responsibility for any personal property located on its premises. Employees are to use their own discretion when choosing to bring personal property into the office and do so at their own risk. Additionally, employees may not bring or display in the office any property that may be viewed as inappropriate or offensive to others.



### Personal Safety

The safety of each employee's health and security is very important to Upstate Special Risk Services, Inc.. Upstate Special Risk Services, Inc. is willing to make reasonable efforts to address an employee's safety concerns. Employees should remember to use caution and good judgment in all activities and should notify their supervisor or a human resource representative if they believe there is a safety issue that should be addressed.

### Office Security

Shortly after an employee's start date, he/she may be given a key to gain access to the offices. The last employee to leave the office at night is responsible for making certain that all doors and windows are locked.

### User Names and Passwords to Company Property and Resources

Each employee is responsible for providing current user names and passwords to management. You are expected to notify managing director and/or office manager prior to changing them in the event they need to be changed.

### Monitoring & Searches

All company property is subject to monitoring and review at all times. This includes, but is not limited to, desks, lockers, company vehicles, computers and email files. Reasons for searches and reviews include, but are not limited to, personal abuse of company property, theft investigation and improper disclosure of confidential information.

Upstate Special Risk Services, Inc. retains the right to conduct searches at any time. This includes the right to search individual computers or files, even if protected by a password. Any employee that attempts to obtain or alter a password for the purpose of accessing restricted files will be subject to disciplinary action, up to and including termination.

### Inventions and Creative Works

You agree that all inventions (as herein defined) shall be and remain the property of Upstate Special Risk Services, Inc.. "Inventions" shall mean all ideas, potential marketing and sales relationships, inventions, research, plans for products or services, marketing plans, computer software (including, without limitation, source code and object code), computer programs, original works of authorship, characters, know-how, trade secrets, information, data, developments, discoveries, improvements, modifications, technology, algorithms and designs, whether or not subject to patent or copyright protection, made, conceived, expressed, developed, or actually or constructively reduced to practice by you solely or jointly with others in connection with or relating to any work performed by you for Upstate Special Risk Services, Inc.. You acknowledge that all of said Inventions shall be considered as "work made for hire" belonging to Upstate Special Risk Services, Inc..

To the extent that any such inventions, under applicable law, may not be considered work made for hire by you for Upstate Special Risk Services, Inc., you agree to assign and, upon its creation, automatically assigns to Upstate Special Risk Services, Inc. the ownership of such material, including any copyright or other intellectual property rights in such materials, without the necessity of any further consideration. Upstate Special Risk Services, Inc. shall have the exclusive right to use the inventions, whether original or derivative,

for all purposes. At Upstate Special Risk Services, Inc.'s expense, you will assist Upstate Special Risk Services, Inc. in every proper way to protect the inventions throughout the world, including, without limitation, executing in favor of Upstate Special Risk Services, Inc. or any affiliate of Upstate Special Risk Services, Inc. patent, copyright and other applications and assignments relating to the inventions.

#### Confidential Information

Upstate Special Risk Services, Inc. requires that employees do not disclose information held to be confidential by Upstate Special Risk Services, Inc. and also requires new employees to sign a non-disclosure agreement. Any questions about this policy should be addressed to the Managing Director.

#### Conflicts of Interest

Upstate Special Risk Services, Inc. requires that employees not compromise the company, its customers, partners or suppliers for personal gain. Examples of conflict of interest include, but are not limited to, accepting gifts worth more than \$25, requesting or granting favors, or conducting business for personal gain. Employees are required to disclose all conflicts of interest to a supervisor. Failure to do may result in disciplinary action, up to and including termination.

#### Non-Solicitation

During the period of your employment and for a period of twelve (12) months after the termination of your employment with Upstate Special Risk Services, Inc., you shall not, directly or indirectly, (i) solicit for employment or employ any person who was employed by Upstate Special Risk Services, Inc. during your employment with Upstate Special Risk Services, Inc.; or (ii) call on, solicit, or take away for yourself or for any other person or entity any person or entity who or which was a customer of Upstate Special Risk Services, Inc. during your employment with Upstate Special Risk Services, Inc..

#### Competing Employment

Due to the highly competitive nature of the industry in which Upstate Special Risk Services, Inc. is involved, employees are restricted from certain associations or working arrangements with competing or conflicting organizations. Subject to Upstate Special Risk Services, Inc.'s prior written approval, you may work for other businesses during the course of your employment with Upstate Special Risk Services, Inc.; provided, however, you may not (i) accept or perform work of a nature that conflicts or competes in any way with the business or services of Upstate Special Risk Services, Inc.; (ii) use any Upstate Special Risk Services, Inc. resources including, but not limited to, computer hardware and software, telephones, facsimile machines, and copiers, for or in connection with any non-Upstate Special Risk Services, Inc. work; (iii) perform any non-Upstate Special Risk Services, Inc. on Upstate Special Risk Services, Inc. premises; or (iv) perform any non-Upstate Special Risk Services, Inc. work during normal business hours.

#### Employment of Relatives

Employment of relatives is not prohibited by Upstate Special Risk Services, Inc., provided that the following conditions are met: (i) the applicant is qualified for the position, (ii) the employee and relative will not be in a

direct reporting relationship with one another and (iii) the personal relationship will not adversely affect the workflow or processes of the company.

## Leave Policies

### General Policies

Upstate Special Risk Services, Inc. provides Eligible Employees with leaves for a variety of reasons. The following discussion summarizes Upstate Special Risk Services, Inc.'s leave policies in a way that Upstate Special Risk Services, Inc. hopes will be generally helpful. Upstate Special Risk Services, Inc. abides by the provisions of the Family and Medical Leave Act, as appropriate. An overview of the Act is set out in Exhibit C in the Appendices.

As with all policies, Upstate Special Risk Services, Inc. reserves the right to revise or rescind these policies at its discretion, subject to legal requirements. This statement of leave policies is not intended to create a contract between Upstate Special Risk Services, Inc. and its employees.

To apply for leave, or to inquire into what leave may be available, an employee should contact the Managing Director. An employee applying for leave will be asked to state why he/she wants the leave, when he/she wants the leave to begin and when he/she wants the leave to end. The Managing Director will inform the employee what type and duration of leave, if any, has been approved and will also tell the employee which requirements, such as certification of a health condition, the employee must fulfill.

All leaves are granted for a specific period of time. An employee who foresees being unable or unwilling to return to work at the end of the leave period should apply for any other leave for which the employee is eligible, including an extension of the current leave. Upstate Special Risk Services, Inc. reserves the right to terminate the employment of an employee who does not return to work at the end of the approved leave period.

### Sick Leave

Eligible Employees earn one-half day of paid sick leave for each full calendar month worked (six full days of sick leave per year).

The following guidelines are designed for the proper use of sick leave:

- a) If you do not report to work, you must phone your supervisor or have someone call for you as early as possible after the office opens. This procedure allows your supervisor to rearrange work schedules in your absence.
- b) If you must leave the office before closing time because of illness, inform your supervisor.
- c) If you foresee the need to take sick leave (e.g., for non-emergency surgery or for a doctor's appointment), tell your supervisor as soon as possible so that plans can be made to cover your absence.
- d) Disabilities related to pregnancy or birth of a child will be treated as all other disabilities for purposes of Upstate Special Risk Services, Inc.'s leave policies.
- e) If you are absent because of sickness or disability, Upstate Special Risk Services, Inc. may require that a doctor examine you.

f) In case of an extended absence, you should consult other sections of this handbook and your insurance plan booklet to see whether you are eligible for short-term or long-term disability leave.

g) Employees will not be paid for unused sick leave when their employment ends.

If you are eligible for sick leave, you may use the leave to care for your sick or injured children on the same terms that apply to use for your own illnesses or injuries.

## **Family and Medical Leave**

Employees may take unpaid leave per the terms of the Family and Medical Leave Act of 1993. Employees should also be aware that pregnancy is considered a disability and may be eligible for disability benefits under mandatory disability benefits laws of certain states.

## **Personal Leave of Absence**

Requests for personal leave without pay are considered individually and granted at the discretion of management. The reason for the request, the employee's length of service, the employee's work record and the demands of the individual's job are examples of the type of factors typically considered in evaluating a request for personal leave of absence. A request for personal leave of absence will be granted only if the employee is not eligible for any other type of leave. An employee may not be on personal leave of absence for more than 2 months in a calendar year.

### Jury Duty

Employees summoned for jury duty will be allowed the necessary time off from work to perform this civic responsibility. Employees must give Upstate Special Risk Services, Inc. 15 days advance notice. Upstate Special Risk Services, Inc. will pay such employees the difference between their regular salary and any jury duty fees received. Employees will be expected to report to work during all regular hours if their presence is not required in a jury room or court. Upstate Special Risk Services, Inc. may require the employee to supply documentation from the court affirming the employee's jury duty service.

### Military Duty

Employees who are absent from work in order to attend an annual encampment in a recognized reserve branch of the armed forces of the United States will receive a paid leave of absence of up to a maximum of two weeks per year. Leaves for military service and reinstatement after performing military service will be provided in accordance with the requirements of law.

### Funeral Leave

When a death occurs in an employee's immediate family, an employee may take up to three days with pay in order to attend the funeral or make funeral arrangements. In unusual circumstances, additional time off may be granted, with or without pay, at the discretion of Upstate Special Risk Services, Inc.. For purposes of the funeral leave policy, "immediate family" means an employee's spouse or child, as well as a parent, grandparent, brother, or sister of the employee or the employee's spouse.

### Forced Closings and Severe Weather

Unless notified by your supervisor, you are to report to work on all regularly scheduled days, regardless of weather conditions. If you are unable to report to work due to weather conditions, you must notify your supervisor as soon as possible.

In the event that the company closes due to severe weather conditions or another reason, you will not be required to report to work. You will be paid for that day and it will not be counted as a vacation day.

## **Employee Benefits**

The following is a list of benefits that Upstate Special Risk Services, Inc. makes available to Eligible Employees. The descriptions in this handbook are a summary only. The separate plan documents explain each benefit in more detail and the language of the plans' documents controls the various plans. Benefits may be modified, added or terminated at any time by the insurance company or benefit provider, per the terms of the plan, or by Upstate Special Risk Services, Inc., at its discretion.

### **Benefits Eligibility**

Full-time employees that have successfully completed the evaluation period are eligible for the benefits outlined below. Part-time employees (less than 35 hours per week) are not eligible for these benefits.

### **Medical Insurance**

Medical insurance is made available on an employee paid basis for those employees and their qualified dependents who wish to purchase it. Refer to the plan summary for details regarding coverage, eligibility, waiting periods and cost.

### **Tuition Reimbursement**

Upstate Special Risk Services, Inc. encourages its employees to further their education. The company's tuition reimbursement plan is set up to cover all or part of the costs of education that furthers the employee's education in a field related to his or her job. All courses must be approved by the company and offered by an accredited training facility or institution. To get tuition reimbursement, an employee must complete the following steps: (i) gain permission from a direct supervisor for a specific course or field of study, (ii) successfully complete the course, with a grade not less than a "B" and (iii) submit an expense report with the cost of the class and any applicable materials.

The amount of tuition reimbursement will vary by course and may require an agreement regarding future employment at Upstate Special Risk Services, Inc.. The tuition reimbursement program is not permanent and may be reviewed, altered, or discontinued at any time.

### **Worker's Compensation**

Upstate Special Risk Services, Inc. requires that all employees report job-related accidents or injuries to a supervisor immediately, whether the accident occurred on or off company premises. Failure to report an injury, regardless of how minor, could result in difficulty with the employee's claim.

All workers' compensation claims will be paid directly to employees and employees are expected to return to work immediately upon release by their doctor.

## **Disciplinary Policies**

### **Problem Resolution**

Upstate Special Risk Services, Inc. seeks to deal openly and directly with its employees and believes that communication between employees and management is critical to solving problems.

Co-workers that may have a problem with one another should attempt to resolve the problem themselves. If a resolution cannot be agreed upon, both employees should approach their supervisor(s), who will work with the employees to determine a resolution. In these instances, the decision of the supervisor is final.

Employees that have a problem with a supervisor should first go to the supervisor and state the problem. If a resolution cannot be agreed upon, the employee should present his or her problem, in writing, to the Managing Director or the company President. The decision of the HR Manager or President will be final.

### **Discipline**

Upstate Special Risk Services, Inc.'s policy is to attempt to deal constructively with employee performance problems and employee errors. The disciplinary process will be determined by Upstate Special Risk Services, Inc. in light of the facts and circumstances of each case. Depending upon the facts and circumstances, the discipline applied may include, among other things, oral or written warnings, probation, suspension without pay, or immediate discharge. Each situation will be considered in light of a variety of factors including, but not limited to, the seriousness of the situation, the employee's past conduct and length of service, and the nature of the employee's previous performance or incidents involving the employee. Details of this process are outlined further in the Corrective Action section below.

### **Corrective Action**

Corrective Action is taken against an employee in response to a rule infraction or a violation of company policies. Correction action will continue until the violation or infraction is corrected.

Corrective Action usually begins with a verbal warning, followed by a written warning that is placed in the employee's personnel folder. If more serious corrective action is required, the employee may be put on probation, or have his or her employment terminated.

Upstate Special Risk Services, Inc. considers some violations as grounds for immediate dismissal, including, but not limited to: insubordinate behavior, theft, destruction of company property, breach of confidentiality agreement, untruthfulness about personal background, drug or alcohol abuse, or threats of violence.

Employees charged with some infraction and subject to corrective action may appeal that corrective action. An appeal must be submitted in writing to the Managing Director or the Company President. If, after reviewing the corrective action, the HR Manager or President determines that the supervisor followed procedures accordingly, the corrective action will stand. If the supervisor has failed to follow company policy, the action may be reversed. The decision of the HR Manager or President is final.



## **Separation Policies**

### **Job Abandonment**

Employees of Upstate Special Risk Services, Inc. that are absent for more than two consecutive days without notifying a direct supervisor are considered to have voluntarily abandoned their employment with the company. The effective date of termination will be the last day the employee reported for work. If an employee abandons a job, he or she will not be entitled to accrued vacation days, unless required by law.

### **Termination**

Upstate Special Risk Services, Inc. does not have tenure or guaranteed employment. You or Upstate Special Risk Services, Inc. may terminate your employment at any time for any reason.

Termination may result from any of the following: (i) Corrective action measures, which include infractions for violation of company policies, (ii) layoffs, which include the elimination of an employee's job function or headcount reduction due to redundancy or cost reduction and (iii) involuntary dismissal, which may include poor performance reviews or failure to demonstrate an acceptable attitude in the workplace.

### **Termination Process**

Upstate Special Risk Services, Inc. requires that employees return all documents, files, computer equipment, uniforms, company tools, business credit cards, keys and other company owned property on or before the last day of work. When all company owned property has been collected, the employee will receive his or her final paycheck and any accrued vacation pay, if applicable.

Employees leaving the company will have the option of having an exit interview with the Managing Director.

### **Employment References**

Due to confidentiality considerations, Upstate Special Risk Services, Inc. does not provide employment references for former employees. Human Resources will provide dates of employment and positions held only.

# **Appendix**

## **EXHIBIT A**

### **Acknowledgement of Receipt & Understanding**

I hereby certify that I have read and fully understand the contents of this Employee Handbook. I also acknowledge that I have been given the opportunity to discuss any policies contained in this handbook with a company official. I agree to abide by the policies set forth in this handbook and understand that compliance with Upstate Special Risk Services, Inc.'s rules and regulations is necessary for continued employment. My signature below certifies my knowledge, acceptance and adherence to the company's policies, rules and regulations.

I acknowledge that the company reserves the right to modify or amend its policies at any time, without prior notice. These policies do not create any promises or contractual obligations between this company and its employees.

Signature \_\_\_\_\_ Date \_\_\_\_\_

## EXHIBIT B

### **Overview of the Family and Medical Leave Act**

The U.S. Department of Labor's Employment Standards Administration, Wage and Hour Division, administers and enforces the Family and Medical Leave Act (FMLA) for all private, state and local government employees and some federal employees. Most Federal and certain congressional employees are also covered by the law and are subject to the jurisdiction of the U.S. Office of Personnel Management or the Congress.

FMLA became effective on August 5, 1993, for most employers. If a collective bargaining agreement (CBA) was in effect on that date, FMLA became effective on the expiration date of the CBA or February 5, 1994, whichever was earlier. FMLA entitles eligible employees to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons. The employer may elect to use the calendar year, a fixed 12-month leave or fiscal year, or a 12-month period prior to or after the commencement of leave as the 12-month period.

The law contains provisions on employer coverage; employee eligibility for the law's benefits; entitlement to leave, maintenance of health benefits during leave, and job restoration after leave; notice and certification of the need for FMLA leave; and protection for employees who request or take FMLA leave. The law also requires employers to keep certain records.

#### EMPLOYER COVERAGE

FMLA applies to all:

- Public agencies, including state, local and federal employers, local education agencies (schools) **and**
- Private-sector employers who employed 50 or more employees in 20 or more workweeks in the current or preceding calendar year **and** who are engaged in commerce or in any industry or activity affecting commerce — including joint employers and successors of covered employers.

#### EMPLOYEE ELIGIBILITY

To be eligible for FMLA benefits, an employee **must**:

- Work for a covered employer;
- Have worked for the employer for a total of 12 months;
- Have worked at least 1,250 hours over the previous 12 months; and
- Work at a location in the United States or in any territory or possession of the United States where at least 50 employees are employed by the employer within 75 miles.

#### LEAVE ENTITLEMENT

A covered employer must grant an eligible employee up to a total of 12 workweeks of **unpaid** leave during any 12-month period for one or more of the following reasons:

- For the birth and care of the newborn child of the employee;
- For placement with the employee of a son or daughter for adoption or foster care;
- To care for an immediate family member (spouse, child, or parent) with a serious health condition; **or**
- To take medical leave when the employee is unable to work because of a serious health condition.

Spouses employed by the same employer are jointly entitled to a **combined** total of 12 work-weeks of family leave for the birth and care of the newborn child, for placement of a child for adoption or foster care and to care for a parent who has a serious health condition. Leave for birth and care, or placement for adoption or foster care must conclude within 12 months of the birth or placement.

Under some circumstances, employees may take FMLA leave intermittently — which means taking leave in blocks of time, or by reducing their normal weekly or daily work schedule.

If FMLA leave is for birth and care or placement for adoption or foster care, use of intermittent leave is subject to the employer's approval. FMLA leave may be taken intermittently whenever **medically necessary** to care for a seriously ill family member, or because the employee is seriously ill and unable to work.

Also, subject to certain conditions, employees **or** employers may choose to use accrued **paid** leave (such as sick or vacation leave) to cover some or all of the FMLA leave. The employer is responsible for designating if an employee's use of paid leave counts as FMLA leave, based on information from the employee. "**Serious health condition**" means an illness, injury, impairment, or physical or mental condition that involves either:

1. Any period of incapacity or treatment connected with inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility and any period of incapacity or subsequent treatment in connection with such inpatient care; **or**
2. Continuing treatment by a health care provider which includes any period of incapacity (i.e., inability to work, attend school or perform other regular daily activities) due to:
  - 2.01 A health condition (including treatment therefore, or recovery therefrom) lasting more than three consecutive days and any subsequent treatment or period of incapacity relating to the same condition, that **also** includes:
    - Treatment two or more times by or under the supervision of a health care provider; **or**
    - One treatment by a health care provider with a continuing regimen of treatment; **or**
    - Pregnancy or prenatal care. A visit to the health care provider is not necessary for each absence; **or**
    - A chronic serious health condition, which continues over an extended period of time, requires periodic visits to a health care provider and may involve occasional episodes of incapacity (e.g., asthma, diabetes). A visit to a health care provider is not necessary for each absence; **or**

- A permanent or long-term condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, terminal cancer). Only supervision by a health care provider is required, rather than active treatment; or
- Any absences to receive multiple treatments for restorative surgery or for a condition which would likely result in a period of incapacity of more than three days if not treated (e.g., chemotherapy or radiation treatments for cancer).

**"Health care provider"** means:

1. Doctors of medicine or osteopathy authorized to practice medicine or surgery by the state in which the doctors practice; **or**
2. Podiatrists, dentists, clinical psychologists, optometrists and chiropractors (limited to manual manipulation of the spine to correct a subluxation as demonstrated by X-ray to exist) authorized to practice and performing within the scope of their practice, under state law; **or**
3. Nurse practitioners, nurse-midwives and clinical social workers authorized to practice and performing within the scope of their practice, as defined under state law; **or**
4. Christian Science practitioners listed with the First Church of Christ, Scientist in Boston, Massachusetts; **or**
5. Any health care provider recognized by the employer or the employer's group health plan benefits manager.

#### MAINTENANCE OF HEALTH BENEFITS

A covered employer is required to maintain group health insurance coverage for an employee on FMLA leave whenever such insurance was provided before the leave was taken and on the same terms as if the employee had continued to work. If applicable, arrangements will need to be made for employees to pay their share of health insurance premiums while on leave.

In some instances, the employer may recover premiums it has paid to maintain health coverage for an employee who fails to return to work from FMLA leave.

#### JOB RESTORATION

Upon return from FMLA leave, an employee must be restored to the employee's original job, or to an equivalent job with equivalent pay, benefits and other terms and conditions of employment.

In addition, an employee's use of FMLA leave cannot result in the loss of any employment benefit that the employee earned or was entitled to **before** using FMLA leave, nor be counted against the employee under a "no fault" attendance policy.

Under specified and limited circumstances where restoration to employment will cause substantial and grievous economic injury to its operations, an employer may refuse to reinstate certain highly-paid "**key**"

employees after using FMLA leave during which health coverage was maintained. In order to do so, the employer must:

- Notify the employee of his/her status as a "key" employee in response to the employee's notice of intent to take FMLA leave;
- Notify the employee as soon as the employer decides it will deny job restoration and explain the reasons for this decision;
- Offer the employee a reasonable opportunity to return to work from FMLA leave after giving this notice; **and**
- Make a final determination as to whether reinstatement will be denied at the end of the leave period if the employee then requests restoration.

A "**key**" employee is a salaried "eligible" employee who is among the highest paid ten percent of employees within 75 miles of the work site.

#### NOTICE AND CERTIFICATION

Employees seeking to use FMLA leave are required to provide 30-day advance notice of the need to take FMLA leave when the need is foreseeable and such notice is practicable. Employers may also require employees to provide:

- Medical certification supporting the need for leave due to a serious health condition affecting the employee or an immediate family member;
- Second or third medical opinions (at the employer's expense) and periodic recertification; **and**
- Periodic reports during FMLA leave regarding the employee's status and intent to return to work.

When intermittent leave is needed to care for an immediate family member or the employee's own illness and is for planned medical treatment, the employee must try to schedule treatment so as not to unduly disrupt the employer's operation.

Covered employers must post a notice approved by the Secretary of Labor explaining rights and responsibilities under FMLA. An employer that willfully violates this posting requirement may be subject to a fine of up to \$100 for each separate offense.

Also, covered employers must inform employees of their rights and responsibilities under FMLA, including giving specific written information on what is required of the employee and what might happen in certain circumstances, such as if the employee fails to return to work after FMLA leave.

#### UNLAWFUL ACTS

It is unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided by FMLA. It is also unlawful for an employer to discharge or discriminate against any individual for opposing any practice, or because of involvement in any proceeding, related to FMLA.

## ENFORCEMENT

The Wage and Hour Division investigates complaints. If violations cannot be satisfactorily resolved, the U.S. Department of Labor may bring action in court to compel compliance. Individuals may also bring a private civil action against an employer for violations.

## OTHER PROVISIONS

Special rules apply to **employees of local education agencies**. Generally, these rules provide for FMLA leave to be taken in blocks of time when intermittent leave is needed or the leave is required near the end of a school term.

Salaried executive, administrative and professional employees of covered employers who meet the Fair Labor Standards Act (FLSA) criteria for exemption from minimum wage and overtime under Regulations, 29 CFR Part 541, do not lose their FLSA-exempt status by using any unpaid FMLA leave. This special exception to the "salary basis" requirements for FLSA's exemption extends only to "eligible" employees' use of leave required by FMLA.

The FMLA does not affect any other federal or state law, which prohibits discrimination, nor supersede any state or local law which provides greater family or medical leave protection. Nor does it affect an employer's obligation to provide greater leave rights under a collective bargaining agreement or employment benefit plan. The FMLA also encourages employers to provide more generous leave rights.

## **EXHIBIT C**

### **Overview of Federal Equal Opportunity Laws, including the Americans with Disabilities Act, the Equal Pay Act, the Age Discrimination in Employment Act**

The EEOC enforces the following laws:

- **Title VII of the Civil Rights Act of 1964 (Title VII)** - prohibits race, color, religion, sex and national origin discrimination. Title VII applies to employers with fifteen (15) or more employees.
- **Age Discrimination in Employment Act of 1967 (ADEA)** - prohibits age discrimination against individuals who are forty (40) years of age or older. The ADEA applies to employers with twenty (20) or more employees.
- **Title I of the Americans with Disabilities Act of 1990 (ADA)** - prohibits employment discrimination against qualified individuals with disabilities. The ADA applies to employers with fifteen (15) or more employees.
- **Equal Pay Act of 1963 (EPA)** - prohibits wage discrimination between men and women in substantially equal jobs within the same establishment. The EPA applies to most employers with one or more employees.

These laws prohibit employment discrimination based on race, color, sex, religion, national origin, age, disability and prohibit retaliation for opposing job discrimination, filing a charge, or participating in proceedings under these laws.

A business is covered by the EEOC laws if:

- All employees, including part-time and temporary workers, are counted for purposes of determining whether an employer has a sufficient number of employees.
- An employee is someone with whom the employer has an employment relationship. The existence of an employment relationship is most easily shown by a person's appearance on the employer's payroll, but this alone does not necessarily answer the question. Determining whether an employer has enough employees to be covered by these laws is, ultimately, a legal question.

Independent contractors are not counted as employees. Determining whether an individual is, under the law, an independent contractor, also is a legal question that may not be as easy to answer as you might think. If you are unsure whether a business or individual is covered, you may wish to consult with an attorney.

The following may file a charge of discrimination with the EEOC:

- Anyone who believes that his or her employment rights have been violated because of race, color, sex, religion, national origin, age, disability or because of retaliation may file a charge of discrimination with EEOC. By law, EEOC must accept the filing of a charge.

In most geographic areas, a charge must be filed with EEOC within 300 days from the date of the alleged discrimination. In a very small number of areas where a state or local employment discrimination law does not apply, a charge must be filed within 180 days.



## **EXHIBIT D**

### **Overview of The Immigration Reform and Control Act**

The Immigration Reform and Control Act of 1986 (IRCA) makes it unlawful for an employer to hire any person who is not legally authorized to work in the United States and it requires employers to verify the employment eligibility of all new employees.

IRCA also prohibits discrimination in hiring and discharge based on national origin (as does Title VII) and on citizenship status. IRCA's anti-discrimination provisions are intended to prevent employers from attempting to comply with the Act's work authorization requirements by discriminating against foreign-looking or foreign-sounding job applicants.

- IRCA's anti-discrimination provisions apply to smaller employers than those covered by EEOC-enforced laws.
- IRCA's national origin discrimination provisions apply to employers with between 4 and 14 employees (who would not be covered by Title VII).
- IRCA's citizenship discrimination provisions apply to all employers with at least 4 employees.
- IRCA is enforced by the U.S. Department of Justice. For information on IRCA's anti-discrimination provisions, contact:

**United States Department of Justice  
Office of Special Counsel for Immigration-Related  
Unfair Employment Practices  
(800) 255-8155 (employer hotline/voice)  
(800) 237-2515 (TDD)**

## **Upstate Special Risk Services, Inc. Travel & Expense Policy**

This guide is to help you manage internal and client related expenses. As with everything, we expect you to act responsibly and professionally when incurring and submitting costs.

Please use the following guidelines to learn about reimbursable expenses. If you have any questions, please see your direct supervisor or a member of the finance department.

### **General Guidelines**

- Original receipts are required for reimbursement of all expenses (except for tips).
- All expenses must be submitted on a Upstate Special Risk Services, Inc. Expense Report form. Original receipts should be taped to the back of the report or onto additional pages and should be easily copied.
- Expenses must be submitted within thirty days to be reimbursed by Upstate Special Risk Services, Inc..
- Expense reports submitted by the 1<sup>st</sup> of the month will be paid on the 15<sup>th</sup>; reports submitted by the 15<sup>th</sup> will be paid on the last day of the month.
- Use your American Express Corporate Card when possible—in addition to convenience, it provides insurance coverage and other benefits.
- Lunch with other employees is not reimbursable unless approved by your direct supervisor.
- If you work more than twelve hours on a weekday, or six hours on or holiday or weekend, you can expense the cost of your meal. Costs should not exceed \$7 for lunch and \$10 for dinner per employee - if you are working on a partner project, you should submit this on a separate report.
- When you submit an expense for a meal, you MUST include the following information:
  - Printed receipt (including date, place, and time of meal)
  - Name, title and company of those present
  - Nature of the business discussion
- All gifts, tickets to events and other entertainment expenses are reimbursable only if they are necessary to conduct Upstate Special Risk Services, Inc. business and require pre-approval of your direct supervisor or another executive.

### **Cell Phone Policies**

Cell phone expenses need to be itemized on the original cell phone bill - copies will not be accepted. The percentage of business calls to total phone calls will determine the amount of the access fee and taxes that are

reimbursable by the company. For example:

1. ***Per minute rates***

Highlight the business phone calls made and total their expense (e.g. \$48.50 for business phone calls). Then, divide the business calls charges by the total call charges (e.g., \$79.50 for all phone calls) to get a percentage, (in this example,  $48.5/79.50 = .61$ ).

Then, add all the access fees and taxes together and multiply by the percentage calculated above, (e.g., taxes and fees of  $19.99 + 12.62 = 32.61 \times .61 = 19.89$ ). Then add the original amount of business call plus the amount of reimbursable access fee and taxes (e.g.  $\$48.50 + 19.89 = 68.39$  - this is the amount reimbursable \$68.39).

2. ***Flat Rate Plans***

Highlight the business calls and add the minutes,(e.g. 350 minutes for business calls). Then, divide the business calls by the amount of minutes allowed on the plan (e.g.,  $350/600 = .583$ ). Then, multiply the percentage of business calls by the entire current amount due (e.g., \$115.62). So in this example, the amount reimbursable by the company is  $.5833 \times 115.62 = 67.44$ .

Ground Travel

Upstate Special Risk Services, Inc. does not pay for "normal travel" to and from the office. You are encouraged to use public transportation when available and practical. If not, use a taxi. Car services should be limited to airports and hard to reach places, or when other transportation is not practical.

If you use your car for business travel, you will be reimbursed 50 cents per mile and for any appropriate parking fees. You will not be reimbursed for fuel, maintenance, traffic or parking violations.

If you are on a company trip, you should only rent cars when public transportation is not convenient or readily available and where the use of taxis would be more expensive. We always rent mid-size or compact. If you use your American Express Corporate Card, you will be covered for all insurance and liability, so you do not need to accept the rental company's plans.

Traveling on Upstate Special Risk Services, Inc. Business

**Travel and related expenses must be pre-approved by your direct supervisor or another company executive.**

Travel plans frequently change, so make sure you cancel any reservations you have made— you will be held responsible for any costs incurred if you don't. Due to insurance and liability regulations, you are not allowed to pilot a charter or private plane, or to be a passenger in a private plane while traveling on company business.

Travel Related Expenses

1. ***Gratuities/tips***

Gratuities and tips are reimbursable at the following rates:

- Meals/taxes - 15%
- Food delivery services - 10%
- Bellhops - \$2 for first bag, \$1 for each additional
- Doorman - \$2 for hailing taxi or other help
- Maid service - \$3 per night

2. ***Non-reimbursable travel expenses***

The following expenses are not reimbursable:

- Personal travel insurance
- Personal reading materials
- Luggage
- Baby-sitting or day care services
- Personal grooming services (shoe shines, haircuts, manicures...)
- Toiletries, cosmetics, or other grooming products
- Expenses incurred by spouses, children, or relatives
- In-room movies or video games