



4.4 Fair Labor Standards Act Statement

Salaried (exempt) employees work as few or as many hours as are necessary to get the job done. For this reason, and subject to the exceptions below, the Company's policy does not reduce an exempt employee's predetermined compensation for any partial-day absence (other than intermittent Family & Medical Leave Act ("FMLA") leave); any partial-week absence occasioned by the Company or its operating requirements, including holidays and partial-week shutdowns; or because of variations in the quality of work performed.

For all employees (exempt and non-exempt), reductions in pay may occur in the following circumstances:

1. Full-day absences for personal reasons, other than sickness or disability in accordance with the Company's policies;
2. Full-day absences due to the employee's own sickness or injury (including work-related injuries and FMLA-related absences). Such deductions will be made in accordance with the Company's paid time off plans and state worker's compensation laws and regulations;
3. A penalty imposed for infraction of a safety rule of major significance;
4. Full-day absences for unpaid disciplinary suspensions under the Company's disciplinary action policy for infractions of the Company's workplace conduct rules; and
5. When no work is performed in a workweek.

The Company's attendance and disciplinary action policies are applicable to an absence even though the absence may not be one for which a reduction from pay occurs.

The Company may require an employee to utilize paid time off benefits for partial-day absences occasioned by personal reasons or the employee's own illness or injury.

Exempt employees who believe their salary has been improperly reduced should report the concern immediately to Human Resources. The Company is committed to complying and expects all supervisors and managers to comply with this policy and not to make improper deductions from employees' salaries. The Company will reimburse an employee for any improper deduction.