

KODIAK EMPLOYEE HANDBOOK

Welcome new employee!

I would like to take a moment to personally welcome you to Westward Seafoods, Inc. It is our hope that your employment here will be rewarding, both personally and professionally.

In order to assist you in your success here, please take the time to read this handbook. The handbook outlines our Company's policies. However, it may not answer all of your questions. If you find that you have further questions, please contact your supervisor or the Human Resources Department.

It is important to us here at WSI to maintain a solid workforce and a reliable team and we thank you in advance for bringing a positive contribution to our efforts.

Sincerely,

Rick Dutton
President
Westward Seafoods, Inc.

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040 INTRODUCTORY STATEMENT

This employee handbook is designed to acquaint nonunion employees with WSI, and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read and ask questions about this handbook. It describes many of your responsibilities as an employee and outlines the programs developed by WSI to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As WSI continues to grow, the policies described in this handbook may need to change. WSI will try to notify covered employees of changes as they occur. WSI reserves its right to revise, supplement, or rescind any policies or portion of the handbook from time to time, or to deviate from the provisions in this handbook, as it deems appropriate, in its sole and absolute discretion.

What the Handbook Is and what the Handbook Is Not

It is important to begin by describing what this employee handbook is, as well as what it is not. It...

- **IS** a summary of our organization's employment policies and procedures. It revokes and supersedes any prior summaries or statements of employment policies and procedures and will control in case of any inconsistency with other written materials (except individual employment agreements) or unwritten practices.
- **IS** an evolving document which may be revised and updated from time to time. We will try to keep you advised of changes in policies and procedures covered in this employee handbook through notices on bulletin board, employee meetings, and/or circulation of revised pages or a later edition.
- **IS NOT** your only source of information on employment-related issues. Although this handbook should be the best place to start in finding answers to questions, you may, from time to time, have questions that it does not answer. In those situations, you should talk with your supervisor or someone from the HR staff.
- **IS NOT a contract of employment. WSI hopes that our employment relationship with you will be ongoing and rewarding for you and the Company. However, your employment is "at will" and may be terminated at any time, with or without cause, by either you or WSI.**

083 OPERATIONS

WSI's Kodiak Processing Facility

Westward Seafoods, under the brand name of Western Alaska Fisheries, processes Salmon, Surimi, Crab, Pacific Cod, Sablefish, Halibut and other groundfish at its Kodiak facility. The fish and crab are purchased from fishing vessels and processed at the plant. Each of the above mentioned fish are processed during specific seasons.

084 EMPLOYEE SERVICE & SUPPORT

On Site

WSI could not be a success without personnel dedicated to service and support operations on site. The Accounting and Payroll personnel, and all of the Departmental Managers can be found in the administrative office located on the second floor of the main plant. Maintenance can be found fixing things anytime, just about anywhere on site!

Seattle Corporate Headquarters

The corporate headquarters of WSI are located at 2101 4th Avenue, Suite 1700, Seattle, WA 98121. Based at WSI's corporate headquarters are personnel responsible for a variety of corporate activities. The corporate office acts in a support capacity for plant operations. The departments located in Seattle are Accounting, Human Resources, Payroll, Purchasing, and Sales.

The Payroll department is responsible for providing you with an accurate payroll check in a timely manner. Purchasing deals with material vendors coordinating the acquisition of materials and shipping them to our processing plants. The Human Resource Department develops policies and procedures, sets up recruitment, arranges interviews and drug testing, coordinates transportation, etc. It also assists with on-going day to day personnel administration after hire.

103 EQUAL EMPLOYMENT OPPORTUNITY

Nondiscrimination

Employment decisions at Westwood Seafoods, Inc. ("WSI") are based on business-related criteria like an individual's skills, qualifications, abilities, and job performance. Employment decisions will not be influenced or affected by an applicant's or employee's race, color, religion, sex, sexual orientation, national origin, age, disability, genetic information, marital or veteran's status, changes in marital status, pregnancy, parenthood, or any other characteristic protected by applicable state or federal law. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and training.

Employees with questions or concerns about workplace discrimination are encouraged to bring these issues to the attention of their immediate supervisor, the Plant Manager, or WSI's Human Resources Department. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Reasonable Accommodations of Disabilities

WSI makes reasonable effort to accommodate individuals with disabilities, as defined under applicable laws. Depending on the circumstances, reasonable accommodation may include but is not limited to restructuring nonessential job duties and functions, reassigning qualified employees to vacant positions, providing physical aids, and granting reasonable leaves of

absence. WSI make reasonable accommodations that can be accomplished without undue hardship.

Employees must contact their supervisor if they have a medical condition that limits their ability to perform their essential job functions. WSI may require verification of a condition and its work-related limitations. We will engage in an interactive process to identify needed reasonable accommodations. If there are concerns whether a supervisor or manager is providing reasonable accommodations, please contact the WSI Human Resources Department.

Religious Accommodation

WSI also makes reasonable efforts to accommodate the religious practices of our employees as required by applicable law. When an employee requests an accommodation, WSI may consider such alternatives as voluntary substitutions, shift swaps, flexible scheduling, or changes in job assignments. The requested accommodation, however, must be reasonable. We are not required to make any accommodation that would create an undue hardship on the conduct of our operations. Based on the particular facts in each case, we will determine whether a requested accommodation would create an undue hardship. If there are concerns whether a supervisor or manager is providing reasonable accommodation for religious beliefs, please contact the WSI Human Resources Department.

104 ANTI-HARASSMENT POLICY

Anti-Harassment

Westward Seafoods, Inc. is committed to providing a harassment-free work environment for all of its employees. To this end, WSI prohibits sexual harassment, as well as harassment based upon race, color, religion, sexual orientation, national origin, age, disability, or other characteristics protected by applicable state and federal laws. Unlawful harassment demeans individuals, negatively impacts morale, and undermines the effective, efficient operation of our business. WSI employees must not engage in prohibited harassment. Persons harassing others based on any protected characteristic will be dealt with promptly.

Sexual Harassment is defined as: unwelcome sexual advances, requests for sexual favors, or other verbal, physical or visual conduct of a sexual nature when:

- submission to such conduct is made a condition of an individual's employment; or
- submission to or rejection of such conduct is used as a basis for making employment decisions affecting the individual; or
- such conduct – intentionally or unintentionally – unreasonably interferes with an individual's work performance, or creates an intimidating, hostile or offensive working environment.

Harassment based on other protected characteristics generally includes unsolicited and offensive remarks, gestures, physical contact, display or circulation of written materials, pictures or cartoons, photographs, or other offensive matter/conduct that is based upon or directed toward a

particular race, color, religion, gender, national origin, age, disability or other basis protected by law.

Anyone who is aware of any instance of sexual or other unlawful harassment must report the matter **IMMEDIATELY** to any member of the Human Resources Department – either on site or at WSI's headquarters.

All complaints of unlawful harassment will be investigated promptly. Upon completion of the investigation, the appropriate parties will be notified of the findings. Any supervisor, employee, or other individual affiliated with WSI who has been found to have harassed another individual will be subject to appropriate corrective action, up to and including termination of employment.

No employee who in good faith complains of harassment will suffer retaliation for reporting such harassment. Employees who feel they have been retaliated against must also immediately report such concerns to Human Resources.

105 HIRING OF FRIENDS & RELATIVES

Friends

If you have friends and or acquaintances who are interested in employment with WSI they must contact Human Resources in Seattle and ask for information on how to apply. All applicants, no matter what their connection or association with current employees of WSI, need to go through the hiring process and procedures. If the applicant successfully meets the minimum criteria for employment they may be offered an opportunity to interview for open positions.

Relatives

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of favoritism at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships. Moreover, WSI business interests may be compromised where relatives supervise, audit, or otherwise work in positions where their duties would present real or potential conflicts of interests.

Although WSI has no prohibition against hiring relatives of existing employees, we are committed to monitoring situations in which relatives work in the same area or in other situations that raise real or potential conflicts of interest. In case of actual or potential problems, like conflicts of interest, WSI may limit employment assignments or opportunities. This can include reassignment or, if necessary, termination of employment for one or both of the individuals involved.

For the purposes of this policy, relatives are defined to include spouses, parents, children, brothers, sisters, brothers- and sisters-in-law, fathers- and mothers-in-law, stepparents, stepbrothers, stepsisters, and stepchildren. This policy also applies to domestic partners or other individuals who may not be legally related but who reside with another employee in a relationship similar to a familial relationship.

106 EMPLOYMENT APPLICATIONS

WSI relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data collected throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in WSI's withdrawal of a job offer or, if the person has been hired, termination of employment.

107 POST-OFFER EMPLOYEE DRUG TESTING & MEDICAL EXAMINATIONS

Drug Screening

All potential processing employees must successfully pass a drug test as the last stage of the hiring process. Results will be kept separate and maintained confidentially. This is considered a condition of hire by the Company, and WSI will bear the expense. (See page 32 for further information on Drug Testing & the WSI Drug Free Workplace.)

Medical Examinations

To help assure that employees are able to perform their duties safely, post job offer medical examinations are required for all new employees.

After an offer has been made to an applicant entering a designated job category, a medical examination will be performed at WSI's expense by a health professional of WSI's choice. The offer of employment and assignment to duties is contingent upon satisfactory completion of the exam.

A yearly audiogram (hearing examination) is required of certain WSI employees who may be regularly exposed to noise in the processing areas.

Information on an employee's medical condition or history will be kept separate from other employee information and maintained confidentially.

108 EMPLOYMENT ELIGIBILITY VERIFICATION

Although WSI does not discriminate on the basis of citizenship or national origin, it may only employ persons who are authorized to work in the United States.

Therefore, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete this form if they have not completed an I-9 with WSI within the past three years, or if their previous I-9 is no longer retained or valid.

Employees with questions or seeking more information on these issues are encouraged to contact the Human Resources Department. Employees may raise questions or complaints about I-9 compliance without fear of reprisal.

180 TRANSPORTATION POLICY

If WSI pays the employee's transportation costs from the point of hire to Kodiak:

- WSI will cover the costs of the employee's return transportation to the initial point of hire or another mutually agreeable destination.
- However, if the employee voluntarily resigns, WSI will not pay the employee's return transportation costs unless the employee resigned because WSI misrepresented the employee's wages, lodging or other conditions of employment, or the employee resigned because of safety or health dangers. WSI is also not required to pay an employee's return transportation costs when the employee is involuntarily terminated for falsification of employment application, intoxication, fighting or prolonged unexcused absence. In all these circumstances, the employee must purchase their own transportation back to the point of hire.

201 EMPLOYMENT CATEGORIES

WSI has developed employment classifications so that employees understand their status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and WSI.

Each nonunion employee is designated as either EXEMPT, NON-EXEMPT REGULAR, or NON-EXEMPT FULL-TIME/HOURLY.

NON-EXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws.

EXEMPT employees are salaried and excluded from overtime pay under specific provisions of federal and state wage and hour laws.

Full-time Hourly

A full-time hourly employee is one who is hired for a limited time frame or for successive processing seasons without a regular schedule or guarantee of hours. Whenever an employee is paid on an hourly basis they are also classified as non-exempt (e.g. they are eligible to receive overtime pay).

Full-time Regular

Full-time regular employees are those who have successfully completed their introductory period of employment and who are regularly scheduled to work WSI's full-time schedule. Generally, full-time employees are indefinitely scheduled for 40 hours a week. However, even nonexempt regular employees may have their schedules (and compensation) reduced due to lack of work or similar reasons.

Exempt (Executive/Managerial/Administrative)

An exempt employee is paid on a salary basis and is not eligible for overtime pay. Exempt employees are considered to be full-time and are primarily departmental managers and or administrators. These employees are regularly scheduled to work WSI's full-time schedule on an indefinite basis.

202 ACCESS TO PERSONNEL FILES

WSI maintains a general personnel file on each employee. The general personnel file usually includes information like the job application, resume, records of training, documentation of performance appraisals and wage increases, and other employment records. Medical information is maintained in a separate medical personnel file from other employment records.

Personnel files are the property of WSI, and access to the information they contain is restricted. Generally, only WSI supervisors and management personnel, or Human Resources staff who maintain these files have a legitimate reason to review information in the general files. Employees may also review their own files. And of course WSI may disclose information from personnel files to third parties, like government agencies, when permitted or required by law.

Employees who wish to review their own file should contact the Human Resources Department. Human Resources will work with the plant so that with reasonable advance notice, current employees may review their own personnel files in WSI's offices at the plant in the presence of a WSI representative.

204 PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify WSI of any changes in personal data. Personal mailing addresses, telephone numbers, marital status, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other similar information must be accurate and current at all times.

281 TRANSFERS & PROMOTIONS

Transfers

If open nonunion positions become available, they may be posted on our job board. Just as with initial employment with WSI, internal applications will be reviewed along with external applicants, and qualified applicants interviewed.

Please keep in mind that simply requesting to be considered for an opening does not automatically mean that the request will be granted. Generally, internal applicants must have completed any introductory period, possess the skills necessary to do the open job, receive a recommendation from their immediate supervisor and the approval of their department manager.

Transfers or promotions must be in the best interests of not only the employee, but WSI as well. **WSI reserves the right to deny or delay an employee's transfer or promotion** until a suitable replacement can be trained to take over a vacated position.

Promotion & Upward Mobility

WSI may promote from within and provides these opportunities so that employees can realize their full potential. When an opening occurs, employees who have expressed a desire and have shown that they have the attitude and qualifications necessary to perform the job may apply and be considered along with applicants from outside WSI.

Decisions to promote will be based on your entire record of employment, including:

Attendance	Attitude	Efficiency
Safety Record	Experience	Job Performance
Cooperation	Skill	Length of Service
Overall Ability	Disciplinary Record	Other Job-Related Considerations

282 SEPARATION FROM EMPLOYMENT

Separation from employment occurs under circumstances such as a “Lay off/Work Force Reduction”, “Voluntary Resignation/Quit” and “Involuntary Termination”. When you separate from employment with WSI, regardless of the circumstances surrounding your separation, WSI tries to follow the procedures outlined below:

- The immediate supervisor tries to complete a separation from employment form with you. This form contains your forwarding address as well as a brief indication of the reason for your separation and eligibility for rehire.
- Return any Company property to your supervisor;
- If applicable, non Kodiak residents need to make an appointment with Housing to thoroughly check out of your assigned housing.
- Go to the main office and complete any remaining separation paper work; at that time you may receive a copy of your separation form, and depending upon the reason for your separation, your ticket for return transportation back to your original point of hire.
- Final wages are paid in accordance with State law.

Lay Off/Work Force Reduction

WSI endeavors to operate its production facility for as many months out of the year as possible. Within the seafood processing industry, the type and level of production activity varies dependant upon the season. It is anticipated that it will be necessary during slow periods of production to reduce the workforce.

- Employees usually receive notice of the work force reduction from a supervisor.
- In the event an employee works through his/her layoff date, WSI will transport employees who are not Kodiak residents back to the point of hire.

Voluntary or Involuntary Termination of Employment

A voluntary termination is a separation from employment initiated by the employee (you) and not the employer (WSI). This is commonly referred to as a Voluntary Resignation/Quit. WSI

requests that all nonunion employees provide at least four weeks notice before they voluntarily quit. Employee's who do not provide this requested notice may not be eligible to return to work with WSI.

An involuntary termination is a separation from employment initiated by the employer (WSI), not the employee (You). This is commonly referred to as being "Discharged" or "Involuntarily Terminated." Employees who are involuntarily terminated may also not be eligible to return to work with WSI.

Eligibility for Rehire

Rehire eligibility will depend on the circumstances of your departure from WSI. If you voluntarily terminate, (i.e., you quit) without at least four weeks notice, you may be ineligible for rehire.

If you are part of a work force reduction, (i.e., part of a "lay off") and you have a good or higher work performance rating, you may be recommended for rehire.

When hiring begins for the next season, those employees who are eligible and recommended for rehire may be given the opportunity to return to work.

Please remember that it is the employee's responsibility to keep the WSI/Seattle Human Resource department informed of your availability to work and your most current address and phone number.

313 NONUNION-EMPLOYEE BENEFITS

Health Insurance

WSI sponsors medical, dental, vision and prescription drug insurance plans for eligible nonunion employees. To be eligible for insurance, nonunion employees must be employed in an Exempt, Non-Exempt Regular, or Non-Exempt Full-time Hourly position and:

- Be employed by WSI on other than a temporary or part-time basis; and
- Regularly scheduled to work for WSI the specified number of hours per week set forth in the group health insurance plan.

Non-Exempt Regular employees will be eligible on the first of the calendar month following completion of ninety (90) days of continuous active work. WSI Nonexempt Full-time Hourly employees' eligibility begins on the first of the calendar month following the completion of 2080 regular time hours worked. Exempt employee eligibility begins on the first of the calendar month following completion of thirty (30) days of continuous active work. If applicable, Human Resources keeps track of an employee's hours toward insurance eligibility. Eligible employees should contact the HR Clerk for further details on enrollment and coverage.

Benefits Continuation (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives eligible employees and their qualified beneficiaries the opportunity to continue group health insurance coverage under WSI's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or qualified dependent pays the full cost of coverage at WSI's group rates plus an administration fee in order to continue health insurance coverage after a qualifying event.

WSI provides each eligible employee and certain eligible dependents with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under WSI's health insurance plan. The notice contains important information about the employee's rights and obligations. In order to maintain coverage, employees and eligible dependents need to properly fill out the COBRA enrollment form and send into the provider (listed on the form) the correct premium amount.

Holidays

Exempt, Non-Exempt Regular and Non-Exempt Full-time Hourly employees receive the following paid holidays provided they worked on the working day before and after each holiday: New Years Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. If a nonexempt employee works on one of these recognized holidays, they will be paid one and one-half times their regular rate of pay.

Personal Leave

Exempt employees [anyone else?] earn personal leave from their date of hire based upon the following schedule:

Years of Service

Leave Accrual

[insert actual schedule]

Date of Hire - ____ Year	_____ hours per _____
____ Year to ____ Year	_____ hours per _____

Personal leave may be used after ____ months of employment. Earned personal leave may be used in hourly increments. Personal leave used for rest and recreation or other personal reason must be scheduled at least ____ weeks in advance and be approved by the employee's supervisor. Personal leave may also be used for personal or family member illness or injury, without advance scheduling, when the need for such time off is not foreseeable.

Unused personal leave is **not paid** for at conclusion of employment.

314 LEAVES OF ABSENCE

Family and Medical Leave

An employee who has worked for WSI at least twelve months, including at least 1250 hours in the last twelve months and worked at a location where there are more than 50 employees in a 75-mile radius, may be entitled to 12 workweeks of unpaid leave in any twelve-consecutive-month period (a rolling 12-month period):

- to care for a newborn or newly-adopted child or newly-placed foster child;
- to care for a child, parent or spouse who has a serious health condition; or
- because of the employee's own serious health condition.

A "serious health condition" is an illness, impairment or condition that involves inpatient care in a hospital, hospice or residential medical care facility or continuing treatment by a health care provider, any period of incapacity of three or more consecutive days and continuing care by a medical provider, as well as any period of incapacity due to pregnancy including prenatal care.

Employees may also take up to 12 weeks FMLA leave when they experience a qualifying exigency arising out of the fact that their spouse, parent or child is on or has been called to covered active duty in the Reserves, National Guard or as a member of the regular Armed Forces. A qualifying exigency is a non-medical activity directly related to the relative's covered active duty status or call to covered active duty. It includes attending certain military events and related activities, attending family support and assistance programs, arranging for temporary childcare, addressing legal and financial arrangements, attending counseling related to the deployment, rest and recuperation with the service member on leave from deployment and attending post-deployment briefings. Such employees may be required to provide certification that their family member is in the military and has been called to (or is on leave from) covered active duty.

In addition, eligible employees are entitled to up to 26 weeks of family medical leave in a single 12 month period to care for an employee's spouse, child, parent (as defined under FMLA) or next of kin (defined as a person for whom the employee is the nearest blood relative) who is or was a member of the Armed Forces (including members of the National Guard or Reserves) and is undergoing medical treatment, recuperation, or therapy, for a service-related serious injury or illness. The veteran needs to have been a member of the Armed Forces at any time during the five-year period preceding the date of treatment, recuperation or therapy for such injury.

Leave to care for a newborn, newly adopted child or newly placed foster child must be taken within twelve months of the birth, adoption or placement. If WSI employs both parents, they are together entitled to 12 workweeks of unpaid leave under this paragraph.

If the need for the leave is foreseeable, employees must give at least 30 days' written notice in advance of the anticipated date the leave is to begin stating the reason for the leave and the dates during which the leave is to be taken. If the need for the leave is not foreseeable, the employee must give notice as soon as possible after the need for the leave is known. Health care provider

certifications/recertifications, as well as second/third opinions and fitness for duty reports/releases may be required in accordance with the FMLA regulations.

Upon returning from the leave, an employee is entitled to return to the same position held when the leave began or to an equivalent position with equivalent benefits and pay, unless the employee would have experienced a seasonal layoff or the employee's position would have otherwise been eliminated had the employee not been on leave. Additionally, an employee on leave is not immune from discipline, up to and including termination, if information is uncovered before or during the leave which would have normally resulted in discipline had the employee been actively working.

The employee must use any other accumulated leave, paid or unpaid, to which he or she is otherwise entitled while on this leave. Otherwise, the leave is unpaid. If leave pursuant to this policy would also qualify as leave under any other benefit or policy, the period of the leave will apply toward the entitlement for each type of leave that may apply.

By taking the leave, the employee will not lose any benefits that accrued before the start of the leave. The employee will not be entitled to accrue further benefits during periods of unpaid leave. WSI will maintain its contributions to an eligible employee's health insurance premiums during the leave, whether the leave is paid or unpaid. The employee will be required to continue his or her share of the premiums for the employee and his or her dependents, if applicable. The employee will also be required to arrange in advance self-payment of other group insurance benefits. If the employee does not return at the end of the leave, the employee may be required to repay WSI for the health insurance premiums paid during the leave.

This policy will be administered according to the Family and Medical Leave Act and the regulations interpreting it and any applicable state law. Employees should contact the Human Resources Department with questions about eligibility for leave or other leave benefits that may be available.

Non-FMLA Medical Leave

Employees who are ineligible for FMLA leave, but need time off from work due to their own serious illness or injury may be granted a non-FMLA medical leave. The leave is unpaid unless the employee has available sick leave or vacation leave (which must be used during this leave). Where the employee's condition qualifies as a disability, this policy will be administered according to general principles of reasonable accommodation. Please remember that any non-FMLA Medical Leave automatically ends at the point at which a seasonal employee would have been normally laid-off. Employees should contact the Human Resources Department with questions about non-FMLA medical leave.

380 RETIREMENT – 401(K) PLAN

WSI has adopted a 401(K) Retirement Plan to provide a means of retirement saving for employees and their families. The 401(K) plan allows employees to take an active part in accumulating retirement savings with pre-tax dollars. By doing so, employees can defer payment of the tax on those dollars until retirement, when they may be in a lower tax bracket. The base part of the plan is the employee deferral or 401(K) portion of the plan. WSI may

increase your incentive to save for retirement by offering a matching contribution in direct proportion to the contribution that you make.

Quarterly, Company representatives usually provide a 401(K) plan orientation for all eligible employees. Eligible employees must meet the following criteria: have been with WSI for 3 months, and are at least 21 years old. Note: Employees are eligible to enroll in the 401K on the first enrollment period following 3 months of employment, but if applicable, WSI will not begin matching contributions until the first enrollment period following 12 months from hire date. At the orientation meeting plan booklets, sign up sheets and financial investment information will be provided.

See the Human Resources Department for further details.

401 TIMEKEEPING

Accurately recording time worked or absences is the responsibility of every employee. Non-exempt employees must accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They must also record the beginning and ending time of any split shift, or absence or departure from work for personal reasons. Exempt employees must also accurately record time off from work for vacations, sickness or other personal reasons.

Federal and state laws require WSI to keep an accurate record of time worked in order to calculate employee pay and benefits. All non-exempt employees are provided a time card for this purpose. Time worked is all the time actually spent on the job performing assigned duties.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

Non-exempt employees should report to work no more than ten minutes prior to their scheduled starting time. They may not stay clocked in more than ten minutes after their scheduled stop time without expressed, prior authorization from their supervisor.

It is the employee's responsibility to sign his or her time record to certify the accuracy of all time recorded. Supervisors review and initial time records before submitting them for payroll processing. In addition, if corrections or modifications are made to the time record, both the employee and the supervisor should verify the accuracy of the changes by initialing the time record.

Clocking In & Out

At the onset of employment all non-exempt employees will be provided with a "Time Card". Non-Exempt employees may not "Clock In or Out" for a fellow employee. At the start of a shift, such employees must "Clock In"; at the end of a shift, they must "Clock Out". **Non-exempt employees must also clock "out/in" for meal periods.** Time card misuse, i.e., failing to properly clock "in/out" and/or falsifying time worked, may result in disciplinary action up to and including termination.

Meals and Breaks

Non-exempt employees receive a 10 minute paid break for each 6 hours worked. They also receive a 30 minute unpaid meal period.

Non-Exempt Employees – Overtime Pay

Non-exempt employees are not guaranteed any minimum number of working hours per week, even if they are classified as Non-Exempt Regular. However, if needed, they must be available to work all straight-time and overtime hours assigned or scheduled. Actual working hours are established by supervisors and managers. Non-exempt employees are paid overtime at the rate of one and one-half times their regular rate of pay for all hours actually worked in excess of 8 in one day and/or 40 hours in one week. Overtime must be pre-approved by the non-exempt employee's direct supervisor.

Salary Basis – Exempt Employees

Westward adheres to the federal and state regulations that require exempt employees to be paid on a salary basis. Generally, this means that once personal leave is used up, that an exempt employee's salary is reduced only for full-day absences occasioned by personal reasons, illness or injury. Westward continues an exempt employee's salary during work weeks while the exempt employee is on jury, witness or temporary military leave, so long as the exempt employee is still providing services to Westward during at least part of those work weeks. Westward also limits the use of unpaid disciplinary suspensions with exempt employees to full days and to those circumstances allowed by the federal and state salary basis regulations. Exempt employees who are also FMLA eligible employees, may have their salaries reduced during work weeks in which the exempt employee takes unpaid FMLA leave, whether in full or part-day increments. Please note that Westward is not required to pay the full salary of an exempt employee in any partial initial or terminal week of employment.

Any exempt employees who believe that improper deductions have been made from their salary are urged to bring their complaint to the attention of the Director of Human Resources. Such complaints must be shared as soon as they are uncovered. The Director of Human Resources or designee will investigate the complaint promptly. If improper deductions were made from salary, Westward will reimburse exempt employees for any improper deductions.

409 ADMINISTRATIVE PAY CORRECTIONS

WSI takes reasonable steps to assure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay (whether it is an over or under payment), any employee (e.g. non-exempt, as well as exempt) must promptly bring the discrepancy to the attention of WSI so that corrections can be made as quickly as possible.

Once an underpayment is verified, it will be corrected in the next regular paycheck.

Overpayments will also be promptly corrected after they are identified, on the next regular paycheck. If this presents a burden to the employee (where WSI decides there is a substantial amount owed), WSI may attempt to arrange a schedule of repayments via payroll deduction with the employee to minimize the impact on the employee.

410 PAYROLL ADVANCES, DEDUCTIONS & GARNISHMENTS

Westward does not generally advance wages, personal leave or make loans to employees. In the rare exception this is done, an employee must sign a form agreeing to repay the amount, and specifically agreeing that any amounts owed can be repaid in whole or part through a deduction from the employee's wages (or any other monies Westward may owe the employee). In the event the amount owed by the employee to Westward exceeds such deduction(s), the employee will still be responsible for repaying any balance owed to Westward through a personal check.

WSI must also make certain deductions from every employee's compensation like federal income and certain state payroll taxes. WSI must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." WSI matches the amount of Social Security taxes paid by each employee. Employees must provide a valid social security number to WSI.

WSI offers benefit programs to certain eligible employees. Employees may be required to authorize deductions from their pay checks to cover the employee's contributions to or costs of participation in these programs.

Garnishments, tax liens, or child support orders are pay deductions required by law and taken by WSI, usually to help pay off a debt or obligation to an organization other than WSI. We must make deductions from an employee's pay when WSI receives a valid garnishment, tax lien, or similar order.

If you have questions concerning why deductions were made from your pay check or how they were calculated, please contact Payroll/Human Resources.

501 SAFETY

To provide a safe and healthful work environment for employees, customers, and visitors, WSI has established a workplace safety program. This program is a priority for WSI. The Safety Director has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all employees.

WSI provides information to employees about workplace safety and health issues through regular communications such as supervisor-employee meetings, bulletin board postings, memos, or other written communications. The "Safety Committee", a safety advisory composed of both non-exempt and exempt employees, has been established to assist in these activities and to facilitate effective communication between employees and management about workplace safety and health issues.

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Employees and supervisors receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize hazards.

All employees are expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the Safety Department and the appropriate supervisor. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

Safety First!

At WSI, safety is everyone's responsibility. To prevent accidents and to keep the work environment free from danger, everyone is encouraged to create a safe working environment. In order to ensure a safe environment, your supervisor should instruct you as to how to properly perform your job duties and/or handle the equipment. To ensure safety and as a conscientious employee, your responsibilities are as follows:

- Ask questions! When it comes to safety there is no such thing as a dumb question.
- Adhere to all established safe work practices & procedures.
- Immediately inform your supervisor of any unsafe working conditions.
- Immediately inform your supervisor of any unsafe behaviors of other employees.
- Always wear your assigned protective gear (head, hair, eye, ear, & lung).
- DO NOT, under any circumstances, wear loose or tattered clothing.
- DO NOT wear loose or dangling jewelry on your fingers, around your neck or your wrists.
- Walk, never run inside the plant.
- Remain alert and aware at all times.
- Refrain from horseplay within the plant.
- Lift with your legs, not your back! Get help with heavy loads or objects.
- Maintain a clean work place.
- Regularly attend safety meetings.

WSI Safety Meetings

WSI employees take part in periodic safety meetings. These meetings are conducted to increase the general awareness of all the employees and to establish a safety-conscious work environment. A variety of topics are discussed at safety meetings, including but not limited to:

- Proper lifting techniques
- Head, hair, eye, ear & lung protection
- Preventing repetitive motion injury

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- Avoiding slips & falls
- Forklift, crane & vehicle safety
- Fire alarm & emergency response procedures
- Chemical & electrical safety
- Dock policy & procedures
- Cold storage & power generation safety

WSI Safety Committee

The WSI safety committee is made up of representatives working at the plant. The safety committee meets once a month to discuss safety issues, suggest topics for plant safety workshops and make recommendations for increasing the safety of the work environment. The committee is responsible for distributing safety education materials and updating the safety bulletin boards. Employees who are interested in joining the Safety Committee should notify the Safety Director or Human Resources.

In general, the goals of the safety committee are to:

- Enhance safety awareness among fellow employees.
- Define problems and obstacles to safety.
- Identify safety hazards.
- Recommend and offer solutions to obstacles, problems, and safety hazards.
- Assist in identifying training needs of employees.
- Serve as an advisory panel to the Safety Director.

Machine Safety

- Be certain you have a good understanding of the equipment before operating it.
- Use the right tools and equipment for the job.
- Know and understand how to turn on/off the equipment you are working with.
- Know and understand any machinery within your immediate work area.
- Comply with all equipment lock/out & tag/out procedures.
- Check to make sure workers are clear before starting up any machinery.
- If the equipment you are operating has been turned off, prior to restarting the machinery all employees in the immediate area to remain a safe distance from the machinery that is gearing up.
- See that machine guards are in place before operating machinery.
- Never remove safety features or other protective barriers from the operating equipment.
- Never reach into the operating equipment to repair, dislodge or adjust the machinery while it is moving or turned on.
- If there is a problem with the equipment, notify your supervisor and they will address the problem.

Forklift Safety

- Forklifts may only be driven by certified forklift drivers.
- Never “hop” or “hitch” a ride on a moving forklift.
- Remain alert and aware when working in areas frequently traveled by forklifts.
- As a pedestrian walking through the plant, always remember that a moving forklift has the right of way.

502 WORK SCHEDULES, ATTENDANCE & PUNCTUALITY

Work schedules for employees vary throughout the plant. Supervisors will advise employees of their shift start and end time. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. If there are questions or concerns about your schedule, check with your supervisor.

Prompt, reliable attendance is required. Processing is carried on continuously when fish are available. While there is no minimum guarantee of hours for nonexempt roles, all employees are expected to work during busy periods, as many hours as requested.

WSI also expects employees to be reliable and to be punctual in reporting for scheduled work. Regular and predictable attendance is an essential function of all WSI jobs. Absenteeism and tardiness place a burden on other employees and on WSI. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they must notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance, unauthorized absences, walking off the job without permission, returning late or not returning at all from break/meal periods, and tardiness are disruptive. Attendance problems may lead to disciplinary action, up to and including termination of employment.

507 OVERTIME

When operating requirements or other needs cannot be met during regular working hours, any employees may be required to work overtime. When possible, advance notification of these mandatory assignments will be provided.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. As required by law, overtime pay is based on actual hours worked. Time off on holidays, sick leave, vacation, or any leave of absence will not be considered hours worked for purposes of computing overtime.

508 USE OF EQUIPMENT AND VEHICLES

Westward's Property

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using WSI property, employees must exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

A supervisor must be notified promptly if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs prevents deterioration of equipment and possible injury to employees or others. A supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations in WSI vehicles, can result in disciplinary action, up to and including termination of employment.

Personal Property

An employee's personal property is his/her sole responsibility. In no event is Westward responsible for any loss of or damage to an employee's personal property, whether by theft, accident, or otherwise. Please ensure you keep any personal belongings safe while working.

514 WORKPLACE VISITORS

To provide for the safety and security of employees and the facilities at WSI, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

Because of safety and security reasons, family and friends of employees are discouraged from visiting the plant. In cases of emergency, employees may be called to meet any visitor outside their work area.

All visitors (including union representatives of the processing employees) must report to WSI's main office located on the second floor of the processing plant. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors. Authorized visitors may not disturb employees in the performance of their work.

If an unauthorized individual is observed on WSI's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main office.

515 SOLICITATIONS

To provide a safe workplace and to ensure employees are not interrupted during work time, WSI does not permit solicitation or distribution of literature by persons not employed by the Company. This prohibition includes charity solicitors, insurance sales persons, union organizers, surveyor questionnaire takers, or other forms of solicitation and distribution by nonemployees.

Additionally, employees may not solicit each other for any purpose during their own or another employee's working time. Working time is defined as the time an employee spends in performance of his or her duties and does not include break periods and meal periods. Reasonable forms of solicitation between employees are permitted during non-work time, such as before or after work or during meal and break periods. Employees may not, however,

distribute literature during work time, and any distribution of literature by an employee during a non-work time must take place in a non-working area. Break rooms are non-work areas.

580 HEALTH MATTERS

Community Health Services

Kodiak has several options for primary health care. Please check with office personnel for a listing of health care providers.

Illness & or Injury (On or Off the Clock)

If, while at work, you become sick or if you are in anyway injured, notify your supervisor immediately. For serious injuries that require immediate attention, there may be staff who have first aide training, who are available to attend to basic first aide needs. When you inform your supervisor you do not feel well or that you have been injured in some way, you will be instructed to go to the plant's main office and speak to a departmental manager. The manager will assist you in getting the care that you need.

If the injury or illness IS WORK RELATED the care you receive will be covered through Workers Comp. The department manager may provide you with any necessary illness/injury forms. Paperwork may also need to be completed by your doctor and you related to workplace injuries.

Remember:

- (a) An employee must report any illness that would keep him/her from working. The employee needs to notify his/her supervisor of any absence or late arrival, in advance of the start of the shift.
- (b) On-the-job illness or injury, no matter how insignificant it may seem, must be reported immediately to the shift supervisor. Medical attention will be given and an illness/injury report will be completed by all involved parties.

If the illness or injury IS NOT WORK RELATED the cost of any care you receive from the provider will be your responsibility.

701 EMPLOYEE CONDUCT AND WORK RULES

Conflict of Interest

Employees are expected to avoid situations that might lead their personal interests to conflict with, or appear to conflict with, Westward's interests or which might compromise, or appear to compromise, Westward's reputation or integrity. A conflict of interest, or the appearance of one, occurs when the employee or a member of the employee's household or immediate family uses the employee's position with Westward for personal benefit or for personal gain. A financial interest or investment, personal association, or business relationship with a customer, supplier or competitor that interferes with the employee's ability to exercise independent judgment on

Westward's behalf is prohibited. "Immediate family" includes an employee's spouse, domestic partner, siblings, parents and grandparents, children and grandchildren, nieces and nephews, and people living in the same household in a relationship substantially comparable to any of the above.

Moonlighting or Secondary Employment

Employees are discouraged from accepting and holding second jobs, whether self-employment or otherwise. All employees holding or considering second jobs **[must] [should]** obtain written permission from their supervisor in order to ensure that the second job will not create a conflict of interest with Westward or interfere with the employee's performance of their duties for Westward.

Confidential Information

Employees may have access to and learn confidential and proprietary information about Westward, its related businesses, suppliers, vendors and customers during their employment. Employees are expected to keep such information confidential and not disclose such information to any third party without prior written authorization from the Plant Manager. This policy, however, does not preclude an employee from discussing the employee's terms and conditions of employment with other employees or a third party if the employee so chooses.

General Standards of Conduct

To assure orderly operations and promote a productive work environment, WSI expects employees to conduct themselves in ways that will protect the interests and safety of all employees and the organization. Employees are expected to follow all reasonable health and safety standards set by the Company, and employees shall, in no circumstances, commit any action which endangers the safety of other employees. Employees must refrain from using abusive language, and refrain from harassing or discriminating against another employee.

Unauthorized Conduct and Behaviors

The following are examples of unauthorized conduct are expressly prohibited, and usually result in discharge WITHOUT PRIOR WARNING. This list is not all exclusive. Other misconduct or performance problems may result in discharge.

- Use or possession on Company premises of any illegal drugs;
- Use or possession on Company premises of any firearms; (or any item deemed by WSI to constitute a dangerous weapon)
- Intoxication on or about the Company's work premises;
- No show/no call for three or more consecutive days;
- Severe or repeated harassment or discrimination towards another employee;
- Fighting or threatening others; and
- Theft or destruction of property belonging to other employees or WSI.

It is not possible to list all the behaviors that are considered unacceptable in the workplace. The following are examples of other behaviors that are unacceptable and which may result in disciplinary action, up to and including termination of employment.

- Dishonesty.
- Violation of the Company's drug and or alcohol prohibitions.
- Other violations of the Drug Free Workplace policies.
- Falsification of Company records, such as time cards, pay records, and identity and employment eligibility documents.
- Failure to follow established safety and quality control rules.
- Excessive absenteeism. An absence without notice which is not subsequently excused by WSI due to an emergency beyond the control of the employee.
- Unauthorized absence from the workplace during the workday.
- Unauthorized removal of Company equipment or property.
- Failing to keep Company-provided housing neat and clean.
- Swearing or other disrespectful language or behavior.
- Willful or grossly negligent damage to Company property and/or having knowledge of and failing to report willful or grossly negligent damage.
- Threat of, or actual, physical violence.
- Discrimination or harassment based on race, religion, color, creed, sex, sexual orientation or age, or any other protected characteristic.
- Sleeping during working time.
- Smoking in unauthorized areas.
- Unlawful wagering or gambling as defined by Alaska statute (AS 11.66.200).
- Possession of dangerous weapons on the job or on Company property.
- Insubordination or other disrespectful conduct.
- Unauthorized use of telephones, computer system, mail system, or other employer-owned equipment.
- Unauthorized disclosure of business "secrets" or confidential information.
- Unsatisfactory job performance.

Please remember this list is also non-exhaustive. Other behaviors may result in discipline up to and including discharge. Whether discipline less than discharge is used will be determined by the Company based on its assessment of relevant circumstances.

702 DISCIPLINE

WSI hopes that all employees are intelligent adults who have pride and self-respect. At WSI, we believe that an intelligent adult with pride and self-respect should perform excellent work and strictly adhere to both common sense and to established rules and regulations. We also believe that employees who have pride and self respect will quickly correct any deficiencies in their work or correct violations of company policies if these problems are brought to their attention.

WSI may warn employees that their work, conduct or behavior is unacceptable and give them a chance to improve. However, depending on the severity of the problem WSI reserves the right to terminate employment without prior warning. Warnings before termination may include:

- Verbal Warning
- Written Warning
- Final Written Warning/Probation

Whether any or all of these are utilized (or repeated) prior to termination is based on WSI's assessment of the seriousness of a particular situation. Nothing in this policy changes WSI's policy of at-will employment.

703 DRUG FREE WORK PLACE

In order to assure a safe and efficient work environment, WSI has adopted a Drug Free Work Place policy.

WSI recognizes that the misuse of drugs and alcohol can adversely impact workplace safety and health of employees and visitors. WSI supports an employee seeking referral for professional medical treatment for drug and alcohol use. However, our commitment to personal assistance does not excuse any misconduct or performance problem of an employee, particularly when the employee does not first come forward voluntarily to management and ask for help with their drug or alcohol misuse.

Employees with questions or concerns about drug or alcohol misuse are encouraged to discuss these matters with their supervisor or the Human Resources Department to request assistance or referrals to appropriate treatment resources in the community.

Employees with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may request approval from the Human Resources Department to take a leave of absence to participate in a rehabilitation or treatment program. Leave may be granted if the employee agrees to abstain from use of the problem substance, follows all WSI policies, rules and prohibitions relating to performance or conduct in the workplace, and the granting of the leave will not cause WSI undue hardship.

Drug & Alcohol Prohibitions

WSI specifically prohibits the following and will discipline an employee, up to and including discharge, for any of the following:

- Use, possession, manufacture, distribution or sale of:
 - illegal drugs or drug paraphernalia; or
 - unauthorized controlled substances on WSI premises, while on WSI business, while in WSI supplied vehicles, or during WSI established working hours.
- Use, possession, manufacture, distribution, dispensation or sale of alcohol at the job site, during working hours, on WSI business, or in WSI supplied vehicles. Exception: Manufacturer sealed containers of alcohol may be transported during non working hours, by authorized staff, in the trunk or other area of WSI vehicles making it inaccessible while the vehicle is being driven. Alcohol may also be possessed and consumed during nonworking hours within the WSI apartments or other WSI owned housing.
- The parking of WSI vehicles in front of bars, cocktail lounges and taverns.

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- Storing in WSI housing, or locker, desk or automobile, or other repository on WSI premises any illegal drug, drug paraphernalia, or any controlled substance whose use is unauthorized.
- Failing or refusing a drug/alcohol test will result in termination of employment.
- Refusing to submit to an inspection of any WSI housing, locker, desk, automobile, or other repository that is requested by management.
- Being under the influence of an unauthorized controlled substance, or alcohol (over .04 blood alcohol concentration level or positive test result) in the plant, on WSI business, in WSI supplied vehicles, or during working hours.
- Use of alcohol off WSI property that adversely affects the employee's work performance, attitude, attendance, his/her or others' safety at work, or the company's reputation in the community.
- Possession, use, manufacture, distribution, dispensation, or sale of drugs on or off WSI property or on or off duty.
- Adulteration or switching of any bodily fluid (or other) sample submitted for drug or alcohol testing.
- Refusing to consent or to submit to a drug or alcohol testing when requested by WSI.
- Conviction under any criminal drug statute.
- Arrest under any criminal drug statute under circumstances which adversely affect WSI's reputation in the community.
- Failure to notify WSI of conviction under any criminal drug statute within five (5) days of the conviction or plea.
- Failure to keep prescribed medication in its original container with a label that states the name of the drug, the frequency of dosage, the date prescribed, name of prescribing physician and the name of the employee.
- Refusing to consent to drug/alcohol testing.
- Refusing to complete the toxicology chain of custody form after submission of a specimen for alcohol or drug testing.
- Refusing to completely cooperate with the drug/alcohol testing process shall be deemed a refusal to be tested.

Note: The legal use of prescribed drugs is permitted on the job if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger oneself or other individuals in the work place. Employees should advise their supervisor if they are using a prescription drug that adversely affects their ability to perform essential job functions, so that WSI may explore the availability of reasonable accommodations.

Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor or the Human Resources Department without fear of reprisal.

704 DRUG/ALCOHOL TESTING

WSI is committed to providing a safe, efficient, and productive work environment for all employees. In keeping with this commitment, job applicants may be asked to provide body

substance samples (e.g., breath, saliva, blood, urine) to determine the illicit use of drugs and employees may be required to provide bodily substance samples to determine illicit drug use or the use of alcohol in violation of WSI policies. WSI will handle test results in a confidential manner. Whether a test is “positive” will be determined by the company’s medical review officer. Tests may be conducted in any of the following situations:

Pre Employment

As part of a post-offer medical examination, a prospective employee is required to provide a body substance sample for drug testing. Refusal to submit to such testing will make it impossible to fully evaluate the applicant, foreclosing any further action on his/her employment. No applicant with a positive drug test will be eligible to assume a job at WSI. This does not preclude an applicant from re-applying for a job at WSI after a six (6) month waiting period.

Post Accident

Any current employee who is involved in an incident, accident or near-accident while on duty (whether on or off WSI’s premises), that raises a reasonable belief that drug or alcohol use may have contributed to the incident may be required to undergo drug and/or alcohol testing. Examples of accidents or incidents include those that result in medical treatment, the submission of a Workers Compensation report, or involve damage in excess of \$50 to property. Such tests are to be conducted as soon as practical after the accident or incident. The employee will be found to be in violation, if tests for drugs and or alcohol are positive, or if the employee refuses to be tested.

Reasonable Cause/Fitness For Duty

Any employee who WSI reasonably suspects may be in violation of our Drug Free Workplace policy or may be affected by the use of drugs or alcohol which may adversely affect job performance, safety, or the work environment, will be required to submit to a drug and/or alcohol test. This includes instances when an employee demonstrates behavior that leads to the conclusion that the employee has used drugs or alcohol prior to or during work time, or may be otherwise in violation of our policy. Reasonable suspicion/fitness for duty testing is also conducted to identify employees who may pose a danger to themselves or others, or appear to be in violation of our policy. Such employees are relieved of duty, pending further action. Supervisors will be trained to identify signs of drug use and alcohol abuse.

Return To Work

Whenever an employee is returning to work following a formal leave period (rotation, vacation) of thirty (30) days or longer, return to work drug testing will take place. If an employee has elected to remain on site, for consecutive periods of employment (one year or 12 months) or has rotated off site for less than thirty (30) days, in order to continue to work, the employee will be required to submit for drug testing a body substance sample (breath, saliva, urine or blood specimen). The employee will be found to be in violation, if tests for drugs are positive.

Other Testing

Drug or alcohol testing may also be required if WSI determines it is necessary to maintain safety for employees, business associates or the public. Drug and alcohol testing may also be implemented if an employee is returned to work following a voluntary assessment and treatment for substance use/abuse.

A refusal to participate in drug or alcohol testing may result in immediate termination of employment, or in the case of a prospective employee, a refusal to extend an offer of employment. Adulteration or switching of a test specimen or other non-cooperation with the testing process will be treated as a refusal to participate in drug or alcohol testing. A prospective employee who tests positive for prohibited drugs will be deemed ineligible for employment for a period of no less than six months.

An employee who tests positive for prohibited drugs or alcohol use shall be terminated. Employees who violate other sections of the WSI Drug Free Workplace policy shall be terminated.

WSI will provide written drug or alcohol test results to an employee within five working days after receipt of a written request, if the employee's request is made within six months after the test has been taken.

Employees will be provided, upon request from the employee, with an opportunity to explain, in a confidential setting, a positive test result, if the employee requests in writing an opportunity to explain the positive test result within 10 working days after the employee is notified of the positive test result. The opportunity to explain the positive test result, in a confidential setting, will be provided within 72 hours after receipt of the employee's written request.

Prospective employees will be tested for the presence of marijuana, cocaine, opiates, codeine, heroine, morphine, amphetamines, and phencyclidine. Active employees will be tested for the presence of marijuana, cocaine, opiates, codeine, heroine, morphine, amphetamines, phencyclidine, and alcohol.

Drug and alcohol testing will be conducted and samples collected pursuant Alaska Statute 23.10.600-23.10.699, which is incorporated by reference into this drug testing policy. These procedures include an employee's right to request review of confirmatory drug tests by a licensed physician or Doctor of Osteopathy after an initial positive drug test result. Copies of the alcohol testing procedures and Alaska Statute 23.10.600-23.10.699 are available from Human Resources upon request.

All drug and alcohol tests, including relevant communications regarding such test results, are confidential and will not be disclosed except: to the tested employee or prospective employee or another person designated in writing by the employee or prospective employee; to individuals designated by WSI to receive and evaluate test results or hear the explanation of the employee or prospective employee; or as ordered by a court or governmental agency.

All drug and alcohol tests results, including all relevant communications regarding such tests results, will be maintained in an employee's medical personnel file apart from the employee's general personnel file.

Nothing in this policy is intended to require drug testing before an employee may be disciplined up to and including termination, for suspected drug or alcohol use or violation of our Drug Free Workplace policy that is supported by other evidence.

Questions regarding this policy should be directed to the Human Resource Department.

705 WORKPLACE VIOLENCE

Out of our concern for our employees, WSI has taken steps to prevent incidents of violence from occurring at its workplace. In this connection, WSI tries to maintain a zero-tolerance policy towards work place violence. We prohibit acts or threats of violence by current and former employees or non-employees against our employees in or about our facilities or premises. We do not condone acts or threats of violence against our employees. We take this policy seriously and expect our employees to do the same.

The following examples of conduct are prohibited. Please note that this list is not exhaustive. The examples are illustrative:

- Intentional acts causing or likely to cause physical injury to another;
- Threats (whether serious or made in jest) to engage in acts causing or likely to cause physical harm;
- Physical harm to another;
- Intimidation, harassment, verbal abuse or psychological abuse of another; or
- Possession of explosives, firearms or other dangerous weapons on WSI property.

Violators will be subject to disciplinary action, up to and including discharge. Where appropriate, WSI will pursue legal charges against offenders, including but not limited to, the filing of criminal charges.

Employees are expected to alert their supervisors, security personnel or Human Resources of any suspicious workplace activity or situations or incidents that they observe or that they are aware of that involve other employees, former employees, or customers or visitors that appear problematic. This includes, for example, threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, and the like. Failure to report such behavior may result in disciplinary action. Where practical and appropriate under the circumstances, WSI will try to preserve as confidential, the identity of the personnel reporting such prohibited conduct or suspicious behavior. The Company prohibits retaliation against employees for making good faith reports or concerns about work place violence.

782 ELECTRONIC COMMUNICATION SYSTEMS

WSI maintains and utilizes a number of electronic and non-electronic messaging and communication systems, such as voice message, e-mail, fax, telephones, network computers,

Internet and worldwide web access in order to facilitate and conduct its business. All messages and documents sent, received, composed and/or stored on the Company's electronic communication systems are the property of WSI.

These systems are to be used to conduct WSI's business. They are not provided for personal use. Personal use of these systems are expected to be kept to a minimum. Personal use that interferes with an employee's work performance may result in discipline up to and including termination.

WSI reserves the right to access all information sent, received, or stores on its electronic communication systems, such as voice mail, e-mails, and records/contents of cell phone calls, at any time. The existence of a password does not mean that messages are private. Please remember that e-mails, voice messages, hard drives or documents that you save to WSI's network computers, or are sent through our systems, are not confidential from WSI.

Additionally, please remember that even when a message has been erased, it is still possible to retrieve it from a back-up system. Consequently, think before you communicate through WSI systems. If you would be embarrassed if your message were disclosed, do not send it. If you want a communication to be confidential, do not send it through our electronic communication systems.

Though WSI as the owner of these systems reserves the right to access messages or documents at any time, messages on our electronic communication systems are to be accessed only by the intended recipient or the creator, or by others at the direct request of the intended recipient or creator. Attempts by persons other than the above to access messages or documents on our systems will constitute a serious violation of this policy and may result in discipline including termination.

We expect all WSI employees to use our electronic communications as well as other Company property, in a professional and competent manner. Among other things, access to sexually explicit or pornographic materials through our electronic communication systems is expressly prohibited. Similarly, messages on our electronic communication systems are subject to the same policies regarding nondiscrimination and anti-harassment as our other work place communications. Offensive, harassing or discriminatory content in electronic communications will not be tolerated.

WSI obtains licenses for the use of a number of software packages in order to facilitate and conduct our business. We do not own the software or its related documentation, and except as authorized by the license with the software developer, in most instances we do not have the right to reproduce it. Generally, WSI will allow, in strict conformance with the software licensing agreements, exempt employees to load and maintain copies of software packages on their home computers for their use in conducting WSI's business. However, employees may not give copies of our licensed software to other employees or persons, except as pre-approved by management and as allowed by the terms of the applicable licensing agreements. No employee or other person may load software (including games, screen savers, etc.) onto a WSI computer or cell phones unless specifically approved by management. The use of non-business software on WSI's computers or cell phones is prohibited.

All outside diskettes, files attached to emails, or downloads from the Internet must be scanned for viruses by appropriate staff prior to being used on WSI's computer system.

783 COMPLAINT PROCEDURES

Employee complaints or concerns are of interest to WSI. WSI endeavors to let an employee tell his or her side of the story and give full consideration to the problem or complaint. There will be no reprisal, criticism, or penalty levied toward an employee who brings forth an issue, complaint or concern in good faith.

Complaints of Discrimination/Harassment

Any employee with concerns or a complaint about any type of unlawful discrimination or harassment regarding race, color, religion, gender, sexual orientation, national origin, age, disability, veterans' status or any other characteristic protected by law, are encouraged to bring these issues, **either verbally or in writing**, directly to the attention of Human Resources, either on-site or at headquarters. Such concerns will be investigated by the Director of Human Resources or a designee. *See Anti-Harassment Policy No. 104* for more information about the anti-harassment complaint procedure. All other complaints can be raised using the following procedure.

General Issues or Concerns

In general, if you have a general complaint or a concern about an on the job issue (other than discrimination or harassment), you should first approach your immediate supervisor. Be sure to talk with your supervisor about the complaint within two (2) consecutive workdays from the onset of the issue. Explain the nature of the problem and suggest possible solutions. Your immediate supervisor probably knows more about you and your job than any member of management, and is in the best position to deal with your complaint properly and quickly.

Keep in mind that the supervisor may give a reply to your complaint immediately or may postpone an answer to study the situation and/or obtain more information. In any case, the supervisor will respond in person and/or in writing.

If you have not received a satisfactory answer or settlement of the complaint from your immediate supervisor, then you may refer the problem to Human Resources. In order to do this you need to either go to the main desk and ask to speak to someone in the Human Resource department or call a Human Resources representative in Seattle. Human Resources will not solve the problem for you, however, they will help assist you in determining who is best suited to respond to your concerns. In all likelihood a meeting may be arranged for you & your department manager to meet and discuss your concerns. Human Resources' personnel will be present to assist all of the involved parties in reaching a mutually agreed upon solution.

ACKNOWLEDGEMENT FORM*

In order to assure a safe and efficient work environment, WSI has adopted a Drug Free Workplace policy and a Drug/Alcohol Testing policy. I acknowledge receiving copies of these policies as part of the employee handbook. While employed at Westward Seafoods, Inc., I agree to comply with these policies.

I also agree to submit to drug and alcohol testing as described in the Drug/Alcohol Testing Policy.

I hereby give my consent to having any alcohol or drug test results released to WSI's Human Resources and other management representatives who are responsible for enforcing these policies.

Signature of Employee

Date

EMPLOYEE'S NAME (TYPED OR PRINTED)

HANDBOOK RECEIPT*

I acknowledge that I have received and will read the Kodiak employee handbook. I also acknowledge that its purpose and content have been explained to me and I have been offered an opportunity to ask questions regarding it. I understand the employee handbook summarizes various employment policies and procedures applicable to my employment with WSI.

I further understand that the employee handbook is not an employment agreement contract. I have been told and I understand that my employment with WSI is "at-will" which means it may be terminated at any time, with or without cause, with or without notice, by either me or WSI. I also understand that I may be demoted, my job responsibilities may change, or my benefits altered after I accept employment with WSI with or without cause and with or without notice.

I understand that the employee handbook supersedes any prior handbooks or policy manuals regarding my employment with WSI issued by WSI. I understand that WSI may add to, modify, delete or make exceptions to any of the policies and procedures contained in the employee handbook from time to time. I agree to perform my job and otherwise act in a manner consistent with the employee handbook and any subsequent additions, modification, or deletions, which may be implemented by WSI during my employment.

Signature of Employee

Date

EMPLOYEE'S NAME (TYPED OR PRINTED)

*Please return these signed forms to the Human Resources Department