

 <b>DW TOWER, INC.</b>	<b>HUMAN RESOURCES</b>		
	POLICIES AND PROCEDURES		
SUBJECT	ISSUED	REVISED	NO.
<b>Progressive Discipline Policy</b>	03/01/2007		H-315
<b>APPROVED</b>  <i>Approved with Policy A-100</i>  <b>President</b>			

**Purpose:** From time to time a team member's conduct may fail to meet D. W. Tower, Inc.'s standard of conduct. The purpose of this policy is to describe the process the Company will use to address unsatisfactory conduct.

**Policy:** Should a team member's performance, work habits, attendance, overall attitude, conduct or demeanor become unsatisfactory based on violations of any D. W. Tower, Inc. policies, rules, or regulations, the team member will be subject to disciplinary action, up to and including termination.

**Scope:** This policy applies to all team members of D. W. Tower, Inc.

**Procedures:**

1. Management is responsible for ensuring that this policy is followed.
2. Before or during imposition of any discipline, team members will be given an opportunity to provide any explanation or justification they consider relevant related to the incident or problem at issue.
3. Where appropriate, a policy of progressive team member discipline will be followed by Management. If Management or designated supervisory personnel believe that one or more disciplinary steps should be skipped, the individual should discuss the issue with the President/Human Resources first.
4. Management will document all progressive disciplinary actions.
5. Management will notify Human Resources of any disciplinary issues and provide documentation for filing in Employee Record.
6. The major steps of the progressive discipline policy are identified below in the Progressive Discipline Action Sequence Table.

<b>PROGRESSIVE DISCIPLINE ACTION SEQUENCE</b>			
<b>STEP</b>	<b>ACTION</b>	<b>DESCRIPTION/PURPOSE</b>	<b>EXPECTED OUTCOME</b>
1	Counsel/ Verbal Warning	<ul style="list-style-type: none"> <li>▪ The designated supervisor or Management meets with the team member to explain issues with conduct or performance &amp; Company policies and expected behavior.</li> <li>▪ The supervisor identifies potential disciplinary actions for continued misconduct or failure to meet expectations in the future, up to and including termination.</li> <li>▪ The supervisor inserts a Note to the File of date/purpose/outcome of the Counseling Meeting in the Personnel File.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Team member commitment to informal action plan.</li> <li>▪ Better team member understanding of expectations.</li> <li>▪ Team member behavior changes and/or improved performance results.</li> <li>▪ Potential further disciplinary action if expected changes do not occur.</li> </ul>
2	Written Warning	<ul style="list-style-type: none"> <li>▪ The designated supervisor or Management issues a Written Warning to the team member regarding conduct or performance.</li> <li>▪ The supervisor identifies expected behavior or performance changes and develops a written action plan with the team member to meet expectations within a specified time frame.</li> <li>▪ The supervisor identifies potential disciplinary actions for failure to meet expectations in the future, up to and including termination.</li> <li>▪ The supervisor inserts a copy of the signed Written Warning in the Personnel File.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Team member recognizes unacceptable behavior/performance</li> <li>▪ Team member commits to performance improvement plan by the stated deadline.</li> <li>▪ Team member signs written warning and receives a copy.</li> <li>▪ Understanding of disciplinary action if expected changes do not occur.</li> </ul>
3	Termination	<ul style="list-style-type: none"> <li>▪ In partnership with Human resources, supervisor or management presents employee action(s)/behavior(s) resulting in termination.</li> <li>▪ Copy of termination letter/documentation in Personnel file.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Team member receives termination letter.</li> </ul>

Notwithstanding this progressive discipline policy, D. W. Tower, Inc. reserves the right to administer discipline in such a manner as it deems appropriate to the circumstances and may, in its sole discretion, eliminate any or all of the steps in the discipline process described in the Progressive Action Sequence Table.

See the Work Conduct Policy, the Substance Abuse Policy, the Company-Owned Vehicles Policy, the Anti-Harassment Policy and the Termination of Employment Policy for further information.

**Anyone found violating any portion of this policy may be subject to disciplinary procedures, up to and including termination.**

No changes will be made to this policy or any deviations authorized without the express written permission of the President.