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COMPANY

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Operating Policies

APPROVED: 01/30/2023 v3

Operating Policies of South Mountain Company, Inc.

APPROVED: 01/30/2023



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A. Introduction

Introduction

South Mountain Company (SMCo) is a worker-owned business that strives to create an exemplary workplace. These Operating Policies describe the rules, guidelines, and procedures that we have crafted over the years in order to make SMCo the best it can be.

Each SMCo employee is responsible for being familiar with and following these Operating Policies. Please read the contents of this document carefully and keep it handy for future reference.

SMCo policy changes occur throughout the year, and employees are informed of these changes as they happen via our employee communication channels. Typically, we collect all policy changes and prepare a revised version of the Operating Policies during the first quarter of each year. Each new version is reviewed and approved by SMCo's Board of Directors. This version supersedes all previous versions, and it is effective as of the Approved date located in the document footer. If an applicable law conflicts with any provision in these Policies, the applicable law will take precedent.

If you have any questions about these Operating Policies, please contact your Department Director. If you have a difficult issue, and you are uncertain about how to deal with it or who is the appropriate person to go to, please discuss it with the CEO (Deirdre) or the Director of Finance & Administration (Siobhán). They will help you determine a solution or find the best person to ask for help.

LAND ACKNOWLEDGEMENT

We acknowledge that we are living in the land of the Wôpanâak (Wampanoag) people and Nation, who originate from this land, have cared for it for at least 12,000 years, and still celebrate it as home today.

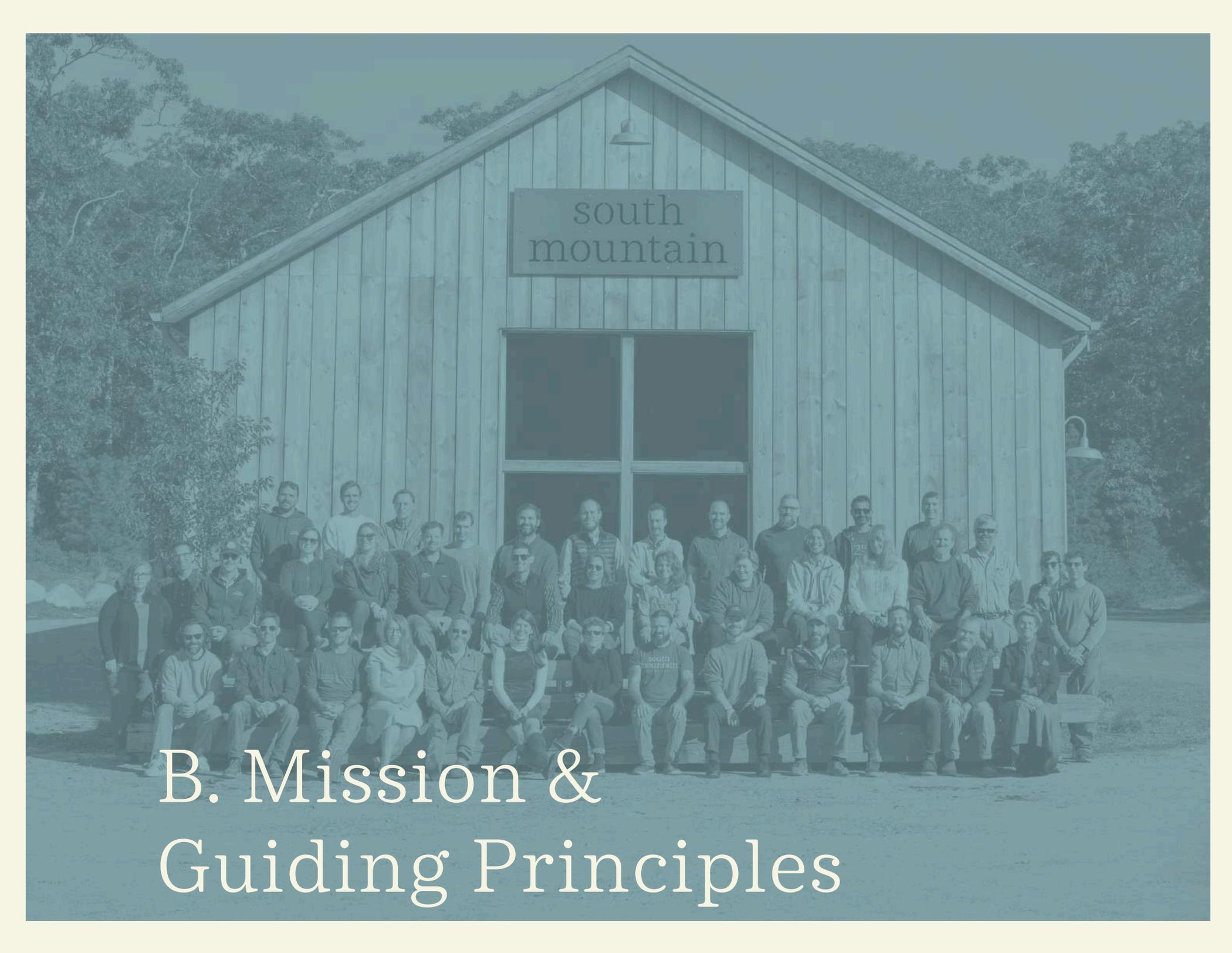
Although commonly referred to as Martha's Vineyard, this Island has a much older name, a Wôpanâak name: Noëpe.

Through this acknowledgement, we wish to celebrate Wôpanâak culture, creativity, and perspective.

We hope to honor Wôpanâak perseverance in the face of colonialism, invisibility, and cultural genocide.

And we commit to restorative relationships and practices with the Wôpanâak people of Noëpe.

After all, it is important to remember that no matter where you go in what is now the United States, you are always on indigenous land.

A group of approximately 30 people, including men and women of various ages, are posed for a group photo in front of a large, light-colored wooden building with a gabled roof. The building has a sign above the entrance that reads "south mountain". The people are arranged in several rows, some sitting on a wooden bench in front of the building. The background shows trees and a clear sky. The entire image has a light blue tint.

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B. Mission & Guiding Principles

1. Mission

To uplift our community and environment by designing and building for a just future.

2. Guiding Principles

To conduct our triple-bottom-line (people, profit, and planet) business as follows:

(A) PEOPLE & COMMUNITY

- Create stable, meaningful jobs with competitive living wages and great benefits.
- Support our families in exemplary ways.
- Encourage workplace curiosity, creativity, health, opportunity, and fulfillment.
- Establish enduring and respectful relationships based on mutual trust.
- Nurture a culture of equity, inclusion, humility, laughter, life-long learning, and collaboration.
- Practice mentorship and skill development.
- Foster diversity within our company, with our collaborators, and in our community.
- Advance our understanding and practice of worker ownership and workplace democracy.
- Engage in civic discourse and community policymaking.
- Actively pursue affordable housing opportunities.

- Share our experience and learning with other businesses, organizations, and communities.

(B) PROFIT & PRACTICE

- Align our work with our Mission and Guiding Principles.
- Concentrate our design and physical work on Martha's Vineyard.
- Combine beauty, craft, science, and value in our projects.
- Produce work that will be loved and admired for generations.
- Provide a superb experience for our clients from day one.
- Practice transparency and open-book management.
- Design for simplicity in all company endeavors.
- Ethically source materials with a local and regional focus.
- Honor craft and those who practice it.
- Meet our profitability targets and share our prosperity.
- Base our business decisions on long-term thinking.
- Grow only with purpose and intent.
- Build future leadership.
- Consider new ideas with rigor, spirit, and flexibility.

(C) PLANET & ENVIRONMENT

- Encourage our clients to embrace our design and performance principles and goals.
- Further our understanding and employment of regenerative principles to restore our environment.
- Implement decarbonization, climate-friendly strategies, and greater environmental responsibility and justice in our work and operations.
- Achieve net-zero energy (short term) in both projects and operations; aim for net-zero waste and toxin discharge (long term).
- Contribute to the regional and worldwide transition to renewables.

A group of approximately 30 people, including men and women of various ages, are posed for a group photo in front of a large, light-colored wooden building with a gabled roof. The building has a sign above the entrance that reads "south mountain". The people are arranged in several rows, with some sitting on a wooden bench in the front. The background shows trees and a clear sky. The entire image has a blue tint.

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C. Governance

1. Generally

South Mountain Company is a worker-owned cooperative and a benefit corporation. Our governance system is a democracy with clear divisions of responsibility and authority.

(A) GOVERNING DOCUMENTS

(1) The Articles of Organization is SMCo's formal corporate charter on file with the Secretary of the Commonwealth of Massachusetts. This document defines SMCo as a worker-owned cooperative. It also defines SMCo as a benefit corporation. Benefit corporations are similar to traditional for-profit corporations, but they differ in one important respect: while the Directors of traditional for-profit corporations must focus primarily on maximizing financial returns, the Directors of benefit corporations are expressly permitted to consider and prioritize the social and environmental impacts of their corporate decision-making. This aspect of governance reflects our commitment to a triple bottom line of people, profit, and planet. The Articles may be amended only by the Owners.

(2) The Bylaws specify how SMCo operates as a corporation. They include procedures for ownership, decision-making, accounting, meetings, the Board of Directors, officers, and similar matters. The Bylaws may be amended only by the Owners. If the Bylaws conflict with the Articles, the Articles supersede.

(3) The Operating Policies describe all the additional rules of the company, including employee policies and benefits. The Operating Policies may be amended by either the Owners or the Board of Directors. If the Operating Policies conflict with the Bylaws or Articles, the Bylaws or Articles supersede.

(B) GOVERNING BODIES

(1) The Owners are the individuals who own one share each in the company and who, as a group, have responsibility for the company. This responsibility is exercised primarily by electing and overseeing the Board of Directors and by maintaining the Bylaws and Articles of Organization. Even though all employees are not Owners, all Owners are employees.

(2) The Board of Directors is elected by the Owners to oversee policies and guide the company. The Board meets monthly to review financials, set policy, and make major decisions. Each Director has one vote, but in practice we work by consensus with a super-majority backup mechanism.

(3) The Committees manage day-to-day operations of the company. While the Leadership Team (LT) is delegated with overall responsibility for operations and is directly responsible to the Board, the work of management takes place throughout all committees. Our management system is more open and decentralized than most. All are encouraged to make decisions and accept responsibility for those decisions. All are encouraged to question the decisions of others. Taking risks and making mistakes are everyday events. The company culture embodies a spirit of inquiry, experimentation, and teamwork.

2. Owners

(A) GENERALLY

(1) Owners are the individuals who own one share each in SMCo. As a group, the Owners have responsibility for the company. This responsibility is exercised primarily by electing and overseeing the Board of Directors and by maintaining the Bylaws and Articles of Organization. The functioning of the group of Owners is governed by Article IV of the Bylaws.

(2) Ownership at SMCo is a privilege, an expectation, and a responsibility. This does not mean that all employees will necessarily become Owners.

(3) The terms of ownership are contained in the SMCo Bylaws. The Operating Policies summarize key provisions from the Bylaws and set forth additional rules. Detailed information about our ownership history and structure can be found on the SMCo website.

(4) Owner meetings are held twice a year. Employees who are not Owners are welcome to attend and participate, except in decision-making. Minutes are distributed to all employees. (Note: Prior to 02/16/2022, our policy was that every Owner served also as a Director and, thus, decisions of the Owners from that time are found in the minutes of the Board of Directors.)

(B) LIST OF OWNERS

Rocco Bellebuono

Deirdre Bohan

Ryan Bushey

Matt Coffey

Jean DaSilva

Angie Francis

Curtis Friedman

Newell Isbell Shinn

Beth Kostman

Jon Lange

Primo Lombardi

Peggy MacKenzie

John Mazza

Rob Meyers

Siobhán Mullin

Greg Small

Chris Wike

Abbie Zell

(C) RESPONSIBILITIES

The Bylaws specify that the company shall be controlled by the Owners. In practice, the Owners exercise this power by undertaking the responsibilities to:

- Decide any changes to the Articles of Organization
- Decide any changes to the Bylaws
- Approve new Owners
- Determine the composition of the Board of Directors (by electing and removing Directors, setting terms, and determining the size of the Board)
- Decide how the Equity Fund may be used
- Manage Ownership and equity matters (determine the Ownership fee, determine patronage allocations, determine equity distributions, hear appeals regarding termination of Ownership, etc.)

(D) BECOMING AN OWNER

(1) Eligibility: Ownership eligibility begins after a period of five years of employment and a minimum of 6,000 hours worked. Additionally, there are four essential criteria that prospective Owners are expected to meet:

- The intention to work at SMCo for the foreseeable future.
- An ability to work well and cooperatively in whatever position the employee holds. Evaluations should demonstrate exemplary work and cooperation, or steady improvement where necessary, a non-defensive attitude which encourages constructive criticism from others, and a reflective attitude which permits self-criticism.
- A commitment to understanding and honoring the issues which are central to the company's values: quality work, ethical business conduct, environmental responsibility, and concern for other people. In other words, we expect that a new Owner will be a good representative of the company.
- A commitment that, while an Owner, the employee will make SMCo their primary work.

(2) Process: During the first five years of employment, each employee will learn by experience about all aspects of SMCo's governance and operations. This learning is guided by *The Path to Employee Ownership*, an SMCo program designed to develop active and engaged Owners and to strengthen our relationships with each other and with the company.

- The expectation is that it will be clear, when each employee reaches eligibility, whether the employee is ready to accept the responsibility and whether the current Owners are ready to accept the employee as a new Owner.
- After an employee meets eligibility requirements and is approved by the Owners, the employee can become an Owner on any following May 1st or November 1st.

(3) Ownership Fee: The Ownership Fee, as described in the SMCo Bylaws, is for the purchase of one share in SMCo.

- The full fee may be paid at the beginning of ownership, or payments may be spread, at no interest, over a period of time not to exceed 36 months. The new Owner takes on all responsibilities and receives all benefits of ownership once 50% of the fee has been paid. The Ownership Fee is credited to the new Owner's individual capital account.
- Effective November 1, 2022 the Ownership Fee is \$18,000. This fee will increase \$500 every subsequent November 1st.

(E) EXPECTATIONS OF OWNERS

(1) Understand SMCo Governance: An Owner should be familiar with the SMCo Bylaws, Mission & Guiding Principles, and Operating Policies. An Owner should also understand and be familiar with the agendas, attachments, minutes, and decisions of the Board of Directors.

(2) Serve on the Board of Directors: While every Owner is not a Director of the corporation, every Owner is required to serve at least one term on the Board.

(3) Represent SMCo: In a way, each Owner is a community ambassador for SMCo. We expect that each of us will conduct ourselves in ways that are

consistent with the values of the company, as expressed in our Bylaws, and Mission & Guiding Principles.

(F) BENEFITS OF OWNERSHIP

(1) One Vote/Voice : Ownership is an opportunity, as well as a responsibility, to impact the matters which decide the direction and destiny of SMCo and which determine the quality of each employee's work-life.

(2) Ownership Title: This is an intangible that may mean more to some than others, but the ability to consider and call oneself an Owner is surely an important benefit. Owners don't just work at SMCo – they own it.

(3) Equity Sharing: One of the important aspects of the system SMCo has adopted is building equity through ownership. The following is an explanation of how this works:

- **(a) Internal Capital Accounts:** In accordance with Article III of the Bylaws, all Owners share equity in the form of internal capital accounts, including one individual capital account for each Owner. These internal accounts are not cash accounts, but paper accounts that are backed up by the company's net worth, and specifically, by the company's Equity Fund.
- **(b) Equity Fund:** The purpose of the Equity Fund is to provide funds to meet our equity commitments to Owners. LT evaluates the fund annually to assure that it contains sufficient capital to meet our short-term and long-term obligations. Except for "Distributions while an Owner" and "Payout upon Ownership Termination" as specified below, equity funds cannot be used for any purpose that does not produce revenue to the fund without the unanimous approval of all Owners. The Equity Fund is invested in accordance with our Investments policy (located in *Financial Practices*).
- **(c) Individual Capital Accounts:** These are accountings of each Owner's accumulated equity in SMCo. An Owner's individual capital account begins with the Ownership Fee that one pays. It increases at the end of each profitable year by means of a patronage allocation. (The account similarly decreases at the end of each year in which there is a loss.) The individual capital account continues to mature until termination of ownership and it is non-interest bearing. Following termination of ownership, the account is

paid out to the former Owner according to the policy below in subsection (f).

- **(d) Patronage:** At the end of each profitable year, the Owners vote to allocate a percentage of the company's income as patronage to Owners, according to the recommendation of our accountants. Patronage is based on hours worked during that fiscal year and is usually distributed in a combination of paper equity and cash dividend. According to the IRS, at least 20% must be paid out as a cash dividend, and the total annual patronage is taxable income to each Owner. The Owners try to ensure that the cash dividend portion is enough to at least cover the increased income tax liability generated by total annual patronage, so as to not cause a financial hardship to the individual Owners. (Note: The cash dividend is separate and distinct from the cash profit sharing that is extended to all employees each year in the form of wage bonuses.)
- **(e) Distributions while an Owner:** Our policy is that individual capital accounts are not accessible until ownership is terminated, but an Owner who has passed their 62nd birthday may request payment of their individual capital account, which proceeds according to the established redemption schedule. Such Owner may, at their option, continue as an Owner so long as they are eligible. An Owner who avails of distributions according to this section, and who wishes to maintain their current Ownership beyond the selected payout period, may opt to postpone receiving their final payment(s) in order to maintain the required amount of the then-current Ownership Fee in their individual capital account.

(f) Payout upon Ownership Termination: After the close of the fiscal year in which ownership is terminated, the value of the Owner's individual capital account will be calculated and paid out in equal payments spread over a period of eight years. (An Owner who is planning to depart can elect to end ownership as of the end of the fiscal year, April 30th, in the calendar year in which the departure will occur, in order to begin collecting payments at an earlier date.) If a departing Owner wishes an accelerated payout of their account, or has any other special request regarding payout, they must make their request in writing to LT, which will make a proposal to be acted on by the Owners. In the case of accelerated payout, the account will be valued as follows:

- 8 year payout @ 100% of value
 - 7 year payout @ 95% of value
 - 6 year payout @ 90% of value
 - 5 year payout @ 85% of value
 - 4 year payout @ 80% of value
 - 3 year payout @ 75% of value
 - 2 year payout @ 70% of value
 - 1 year payout @ 65% of value
 - Immediate payout @ 60% of value
- (g) Value of Individual Capital Account for the Purpose of College Financial Aid Applications: It is the opinion of our accountants that each individual capital account has no fair market value until the termination of ownership.

(G) TERMINATION OF OWNERSHIP

(1) In general, an individual's ownership is terminated upon any one or more of the following:

- Voluntary or involuntary termination of an Owner's employment (except for temporary layoffs or absences). Note that ownership does not guarantee permanent employment. In other words, ownership status does not protect against termination of employment.
- Nonpayment of the Ownership Fee.
- The amount of the Owner's individual capital account balance falls, through distributions, below the then current Ownership Fee.
- The Owner becomes less than a three-quarter time employee, as defined in these Operating Policies.

(2) No individual's ownership may be terminated involuntarily without written notice and a right to a hearing before the Owners.

(3) Ownership shares and rights cannot be transferred or assigned to others. They can only be transferred back to the company.

3. Board of Directors

(A) GENERALLY

(1) The Board of Directors is elected by the Owners to oversee policies and guide the company. The functioning of the Board is governed by Article V of the Bylaws.

(2) The Owners are only required to elect a minimum of three Directors, and a Director need not be an Owner. The Owners may invite non-employees and retiring Owners to serve as Directors. Each time a seat designated as "Owner - 1 Year Term" expires, priority in filling that seat is given to an Owner who has not yet served on the Board.

(3) All Directors are expected to attend all Board meetings, unless Owners make an exception to this policy. Current exceptions are Matt Piantedosi and Ron Rappaport. Directors who miss meetings must expect, of course, that important decisions may be made in their absence.

(4) Board meetings are held monthly. Employees who are not Directors are welcome to attend and participate, except in decision-making. Minutes are distributed to all employees.

(B) LIST OF DIRECTORS

Term lengths are determined by the Owners and are specified below for each Director. *Ex officio* means that the individual is elected as a Director by virtue of the office that they hold, and that individual's term as a Director will expire when they resign from or are removed from the indicated office.

(1) Owners

Deirdre Bohan (*President*)
Ex officio: Chief Executive Officer

Ryan Bushey
Ex officio: Director of Architecture & Engineering

Newell Isbell Shinn (*Clerk*)
Ex officio: Director of Production

Rob Meyers
Ex officio: Director of Energy Technology

Siobhán Mullin (*Vice President, Treasurer*)
Ex officio: Director of Finance & Administration

John Mazza
Owner - 1 Year Term (exp. April 30, 2023)

Jon Lange
Owner - 1 Year Term (eff. May 1, 2023 - exp. April 30, 2024)

Chris Wike
Owner - 2 Year Term (exp. April 30, 2023)

Primo Lombardi
Owner - 2 Year Term (eff. May 1, 2023 - exp. April 30, 2025)

Beth Kostman
Owner - 2 Year Term (exp. April 30, 2024)

Rocco Bellebuono
Owner - 2 Year Term (exp. April 30, 2024)

Abbie Zell
Owner - 3 Year Term (exp. April 30, 2025)

(2) Non-Owners

John Abrams (*Non-Employee, SMCo Founder & President Emeritus*)
2 Year Term (exp. December 31, 2024)

Matt Piantedosi (*Employee, Vice Clerk*)
Ex officio: Master Electrician
(Having a Master Electrician as an officer is a requirement for SMCo to be an electrical contractor.)

Ron Rappaport (*Non-Employee, Attorney*)
Ex officio: Benefit Director
(Having an independent Benefit Director is a requirement for SMCo to be a benefit corporation,)

(C) RESPONSIBILITIES

(1) Powers: The SMCo Bylaws generally permit the Board to exercise all the powers of the corporation. In practice, the Board delegates many of its powers, especially responsibilities for day-to-day operations. The Bylaws also grant specific powers to several officers, subject to Board supervision.

(2) Core Responsibilities: The Board oversees policies and guides the company. This work includes:

- Elect the President, Vice President, Treasurer, Clerk, and other Board officers (The Bylaws currently specify that whoever is elected as Board President shall also serve as the CEO.)
- Determine the company vision and strategic plan
- Determine the Operating Policies
- Review financial reports and budget status
- Act on proposals regarding:
 - Creating new positions which expand company size
 - Expansion of or significant change to SMCo facilities
 - Adding or significantly changing major revenue streams
 - New business ventures

- Real estate purchase and sale
- Major borrowing
- Profit sharing
- Annual allowance for wage increases
- Determine philanthropy practices and priorities

(3) Delegated Responsibilities: The Board delegates responsibilities not listed above in section (C.2) as follows:

- The Board appoints the following committees, whose membership and delegated responsibilities are outlined in these Operating Policies:
 - Leadership Team (LT)
 - Personal Support Committee (PSC)
 - Safety Committee
 - Fun Committee
 - Communications Committee
- The Board delegates to the Leadership Team (LT) all responsibilities not otherwise delegated and not listed above in section (C.2).

(4) Guiding Principle: There are times when it is not clear whether a decision should be made by LT or the Board. In these cases, the Board discusses until a conclusion is reached. This allows adjustments and new understandings to be crafted over time. It is important to balance participation and efficiency. There is no map to guide us except past decisions. We need to be comfortable with trial and error, always being ready to alter the process as needed. We are always a “work-in-progress.”

(D) DECISION MAKING

(1) Process: LT prepares the Board to make decisions and in most cases recommends direction and courses of action for the Board’s consideration. Before each Board meeting, an agenda and a package of supporting material is distributed to the Directors so they are prepared to discuss and deliberate.

(2) Decisions Involving Relatives, Close Friends, and Similar Issues:

Whenever there is an issue of hiring, evaluation, ownership, termination, or other personnel matters, all those involved in the decision-making process must remember to be especially careful to keep *the company’s interest* first and foremost in deliberations and decision-making. It is essential to try to be frank, honest, open, and constructive, and to not allow personal issues to get in the way of good company decision-making. SMCo allows (but does not require) any of the following:

- An individual who is the subject of a discussion and/or decision may decide not to participate.
- An individual decision-maker may directly ask the subject of a decision or a related party to not participate, and that person (the subject) may ask the decision-maker to reconsider.
- A decision-maker may elect not to participate.
- In the event that a decision-maker is uncomfortable saying something directly to the subject of a decision, that person may discuss with anyone on the Personal Support Committee and ask the PSC member to raise their concern. This does not apply to non-participation requests.

A primary aspect of this policy is that it is intended to assure personal and emotional safety while encouraging transparency.

(3) Difficult Decisions: The process we commonly use with difficult decisions is to make a decision, sit with the decision, and then revisit it at a subsequent special or regular meeting. Any Director should call for this procedure when they feel it is warranted.

(4) Backup Voting Mechanism: In the event that we are unable to reach a decision via consensus, our Bylaws provide that a super-majority of 75% is required to make a Board decision.

(5) Triple Bottom Line Provision: Because SMCo is a benefit corporation and, therefore, committed to maintaining a triple bottom line (people, profit, and planet), Directors are expressly permitted to consider social and environmental impacts in their decision-making, including, but not limited to the social, economic, legal, environmental, and other effects of any action on current Owners, previous Owners who are still receiving capital account payments, employees, suppliers, clients, and the communities (local, regional, national, and global) in which SMCo operates.

4. Committees of the Board

The Board determines the composition and responsibilities of these committees. Chairpersons are indicated by underlining.

(A) LEADERSHIP TEAM (LT)

(1) Members: This committee consists of five employees: The CEO (Deirdre Bohan), and the Department Directors of Finance & Administration (Siobhán Mullin), Production (Newell Isbell Shinn), Architecture & Engineering (Ryan Bushey), and Energy Technology (Rob Meyers).

(2) Responsibilities

- Serve as the executive arm of the Board, with monthly reporting to the Board.
- Provide oversight of all SMCo operations, including finances, equity, project status and pipeline, communications, professional outreach, pro bono work, and day-to-day operations.
- Undertake all Board responsibilities not specifically retained by the Board or delegated by the Board to others.
- Review Operating Policies and propose new policies and revisions to the Board.
- Consistently improve justice, equity, diversity, and inclusion (JEDI) within the company.
- Oversee the *Path to Ownership* program to prepare new Owners.
- Plan for appropriate capacity in leadership transitions. Maintain a succession plan, and oversee implementation of that plan.
- Evaluate when major software and technology changes are needed, and oversee implementation.

- Manage human resource matters, including:
 - Hiring and termination of employment. The Board establishes need for hiring based on LT recommendations. When a new hire indicates an actual expansion of the company, it is a policy issue to be determined by the Board. When we are replacing a departed employee to keep staffing stable, it is an LT decision.
 - Annual employee evaluations.
 - Professional development.
 - Wage rate and compensation package for each employee.
 - Housing grants and stipends.
 - Employee performance and capacity issues and Ownership potential.
 - Violations of the Operating Policies.

(3) Meetings: LT meetings are held weekly. Meetings are attended only by LT members (this provision will be re-evaluated in December 2023). Minutes are distributed to all employees, except for minutes regarding human resource matters as identified above.

(B) PERSONAL SUPPORT COMMITTEE (PSC)

(1) Members: This committee consists of five employees: the CEO (Deirdre Bohan), the Director of Finance & Administration (Siobhán Mullin), Peggy MacKenzie, Chris Wike, and one rotating member, serving a 3-year term, who is an employee not on LT (Sebastian Hiatt, exp. April 30, 2025).

(2) Responsibilities: Handle confidential individual personal and interpersonal issues and crises by:

- Providing empathetic and compassionate support.
- Guiding coworkers to relevant policies that can provide immediate assistance.
- Recognizing when a particular problem exceeds the abilities of a group and work to find appropriate outside help.

- Deciding employee requests to waive hours requirements, and reporting such decisions to LT.

(3) Meetings: PSC meetings are held as needed. Meetings are attended only by PSC members. Minutes are distributed only to PSC and LT as appropriate.

(C) SAFETY COMMITTEE

(1) Members: The Director of Production, the Energy Technology Project Manager, at least one Production Field staff, at least one Energy Technology Field staff, and one Shop staff. Current members: Pete D'Angelo, Sebastian Hiatt, [Newell Isbell Shinn](#), Jon Lange, John Mazza, Rachel Wild.

(2) Responsibilities: Review safety policies and incident reports. Serve as the company's formal Safety Committee for all purposes where such a committee is required.

(3) Meeting Frequency: Quarterly, with additional meetings as needed.

(D) FUN COMMITTEE (FUNCOM)

(1) Members: [Maria Black](#), Primo Lombardi, Ane Møller, Siobhán Mullin, Rachel Wild, Faren Worthington.

(2) Responsibilities: Plan company social events.

(3) Meeting Frequency: As needed.

(E) COMMUNICATIONS COMMITTEE

(1) Members: Deirdre Bohan, Matt Coffey, [Abbie Zell](#).

(2) Responsibilities: Oversee and execute all of the company's public-facing communications (including but not limited to: ads, blog/newsletter emails, branding, editorial content, holiday cards, photography and film, social media, swag, sponsorships, and the southmountain.com website).

(3) Meeting Frequency: Weekly.

5. Company Meetings

Company-wide meetings, for all SMCo employees, are important opportunities to learn about and discuss current matters within the company. All employees are expected to attend. Our "Day of Business" is an annual company meeting, and additional company meetings are scheduled as needed.

A group of approximately 30 people, including men and women of various ages, are posed in front of a large, light-colored wooden building with a gabled roof. The building has a sign above the entrance that reads "south mountain". The group is arranged in several rows, with some people sitting on a wooden bench in front of the building. The background shows trees and a clear sky. The entire image has a light blue tint.

south
mountain

D. Shared Expectations & Practices

1. Transparency

(A) GENERALLY

SMCo values the open disclosure of company information to relevant stakeholders in an effort to promote clarity, accountability, effectiveness, education, engagement, and trust. Company information includes details about SMCo ownership, demographics, decision-making, policies, plans, processes, finances, supply chains, trade partners, materials, and social and environmental impacts. Relevant stakeholders may be employees, clients, community partners, and the general public.

(B) INTERNAL TRANSPARENCY

As a general rule, all SMCo company information is available to all SMCo employees. If there is a compelling reason that certain information should not be shared with an employee, that reason should be made clear to the employee seeking the information. If the employee disagrees with the rationale, the matter will be reviewed by LT.

(C) EXTERNAL TRANSPARENCY

In order to promote transparency and educate others, we make much of our company information available to the public via social media platforms and our website. In all communications, we intend to be honest and forthcoming, protect individual privacy, and actively listen/meaningfully respond to concerns and questions.

2. Inclusivity & Respect

SMCo strives to create a culture of inclusion, that is, an atmosphere in which all employees feel comfortable being themselves and contributing fully. Inclusion is a continuous effort. It permeates everything we do: recruitment, hiring, onboarding, engagement, mentoring, promotion, compensation, outreach, etc. We rely on each employee to practice and advance inclusion. If you have any suggestions, please share them with Deirdre or Abbie.

(A) DISCRIMINATION-FREE WORKPLACE

We are committed to a workplace in which all individuals are treated with respect and dignity. SMCo prohibits discrimination against any employee with regard to race, color, religion, gender, sexual orientation, gender identity or expression, national origin, age, genetic information, disability, marital or veteran status, or any other status protected by applicable law.

(B) EQUAL EMPLOYMENT OPPORTUNITY

SMCo provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, gender, sexual orientation, gender identity or expression, national origin, age, genetic information, disability, marital or veteran status, or any other status protected by applicable law. This policy applies to all terms and conditions of employment, including recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

(C) HARASSMENT-FREE WORKPLACE

(1) Generally: SMCo expressly prohibits any form of workplace harassment including, but not limited to, harassment based on race, color, religion, gender, sexual orientation, gender identity or expression, national origin, age, genetic

information, disability, marital or veteran status, or any other status protected by applicable law.

(2) Workplace Harassment: When we refer to workplace harassment, we mean:

- Unwelcome verbal or nonverbal conduct that denigrates or shows hostility or aversion toward a person because of one or more of the above characteristics, and such conduct affects the person’s employment opportunities or benefits, or has the purpose or effect of interfering with their work performance, or has the purpose or effect of creating an intimidating, hostile, or offensive working environment.
- Such conduct includes, but is not limited to: epithets; slurs or negative stereotyping; threatening, intimidating or hostile acts; sexual harassment; denigrating jokes; and display or circulation of written or graphic material that denigrates or shows hostility or aversion toward an individual or group based on one or more of the above characteristics.

(3) Sexual Harassment: When we refer to sexual harassment in the workplace, we mean unwelcome sexual advances, requests for sexual favors, and other verbal, visual or physical conduct of a sexual nature, when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment;
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- Such conduct has the purpose or effect of interfering with an individual’s work performance or creating an intimidating, hostile, or offensive working environment.

Examples of sexual harassment include: unwelcome or unsolicited sexual advances; displaying sexually suggestive material; unwelcome sexual flirtations, advances or propositions; suggestive comments; verbal abuse of a sexual nature; sexually oriented jokes; crude or vulgar language or gestures; graphic or verbal commentaries about an individual’s body; display or distribution of obscene materials; physical contact such as patting, pinching or brushing against someone’s body; or physical assault of a sexual nature.

(D) VIOLENCE-FREE WORKPLACE

(1) Generally: SMCo prohibits violence in the workplace. Workplace violence involves physical assault, threatening behavior, or threatening language in a work setting. Such conduct includes:

- The use of force with the intent to cause harm (e.g., any unwanted contact such as hitting, fighting, pushing, or throwing objects)
- Acts or threats, made directly or indirectly, that are intended to intimidate, harass, threaten, coerce, or cause fear of harm
- Acts or threats, made directly or indirectly, by oral or written words, gestures or symbols, that communicate a threat of physical or mental harm

(2) Firearms: SMCo prohibits any person from possessing unsecured firearms on SMCo property or at any SMCo project site, in accordance with Massachusetts law.

(E) POLITICAL ACTIVITY

Unless the Board decides, with 100% consensus, to support a particular political party or political candidate, employees shall not use SMCo communications, property, or funds to state or imply that SMCo supports a particular party or candidate, whether local, state, or national. Whenever an employee’s personal political activity might be misunderstood as company political activity, the employee should clarify that they are not representing SMCo.

(F) IF YOU EXPERIENCE OR OBSERVE A PROBLEM

In order to apply the above policies well, SMCo employees are expected to report any related incidents or concerns promptly to the CEO (Deirdre) or the Director of Finance & Administration (Siobhán). Additionally, if an employee observes behavior they reasonably believe poses a potential for workplace violence, such as verbal threats, verbal abuse, or property destruction, they should promptly notify their supervisor and, if necessary, the police.

3. Occupational Health & Safety

Our Mission and Guiding Principles speak of a workplace which supports health and personal fulfillment. With that in mind, SMCo's goal is to provide a safe working environment that is respectful of each employee's need to perform their job efficiently, successfully, and safely. We make every effort to use materials that are environmentally benign and minimally toxic whenever possible and appropriate. We expect our employees and trade partners to use common sense on the job and to responsibly maintain their work areas. We expect vigilance with regard to safety of self and others on the job site. We encourage all to speak up about safety issues we need to be aware of and/or attend to.

(A) OCCUPATIONAL HEALTH & SAFETY MANUAL

The *South Mountain Company Occupational Health & Safety Manual* (see Appendix A), with all its provisions, is hereby incorporated into these Operating Policies. Although this manual is oriented toward our Field employees, many sections are relevant to work in the Shop and Office as well. All SMCo employees are required to be familiar with the safety rules outlined in this manual and to observe them at all times.

(B) MOTOR VEHICLE SAFETY

For details about using a company-owned vehicle, see below *Operations/Use of SMCo Facilities, Equipment, Vehicles & Accounts/Use of Company-Owned Vehicles*. An employee who operates a company-owned vehicle shall:

- Possess a valid drivers license (not suspended or revoked).
- Abide by all applicable motor vehicle laws.
- Operate the vehicle in a safe, courteous, and professional manner.
- Ensure that all occupants of the vehicle use fastened seat belts at all times.

- Secure all vehicle loads properly.
- Never operate a company vehicle under the influence of alcohol or drugs.
- Never transport illegal drugs.
- Never allow an unauthorized person to operate the vehicle.
- Report any vehicle accident or malfunction immediately to both your Project Lead and the Director of Finance & Administration.

(C) ALCOHOL & DRUG USE

SMCo prohibits use of alcohol, drugs, or other intoxicants (such as marijuana/cannabis) during work hours, including lunch and breaks. Reporting to work under the influence of alcohol, drugs, or other intoxicants is also prohibited. This policy does not include the authorized use of alcoholic beverages at company-sponsored activities, and it does not include the use of medications pursuant to the instructions of a licensed medical practitioner.

(D) SMOKING

Smoking, including the use of e-cigarettes and other vaporizers, is prohibited inside SMCo headquarters, inside any SMCo project, inside any SMCo vehicle, and any place outside where the smoke or vapor directly affects or impacts others.

(E) DOGS

- (1)** Dogs are allowed at SMCo as long as the pet's health and behavior are acceptable in a work setting, and the pet's presence does not adversely affect daily work.
- (2)** All dogs must be leashed (or tied in a safe location) at all times at project sites and at SMCo HQ (both inside and outside the building).
- (3)** Dogs are not allowed inside on project sites after flooring is installed. Dogs are not allowed inside any completed project.
- (4)** All employees, trade partners, and visitors are required to abide by this policy.

4. Concerns

(A) HOW TO REPORT A CONCERN

(1) Generally: We believe that employees should feel comfortable speaking up about concerns, especially regarding discrimination, harassment, violations of law, unethical behavior, safety, or retaliation. It is to all of our benefit to resolve such concerns as soon as possible. In order to support open communication, the SMCo Retaliation-Free Workplace policy (see below) applies to any employee who raises a concern.

(2) Who to Contact: If an employee has a reasonable belief that SMCo or another employee has failed to observe these Policies or has engaged in any action that violates any applicable law or regulation, the employee is expected to immediately report such information to the CEO (Deirdre) or the Director of Finance & Administration (Siobhán). Additionally, an employee may also file a “whistleblowing” complaint with the US Equal Employment Opportunity Commission (EEOC), the Massachusetts Commission Against Discrimination (MCAD), the Occupational Safety and Health Administration (OSHA), or other relevant government agency.

(3) Investigation & Response: All concerns that cannot be resolved immediately will be brought to LT for investigation and review. A response will be provided promptly to the employee who reported the concern. All concerns will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. However, identity may have to be disclosed in order to conduct a thorough investigation or to comply with the law. If LT needs to act immediately during its investigation, it will do its best to ensure that the employee who reported the concern will not be affected. The employment of the alleged wrongdoer may be affected.

(B) RETALIATION-FREE WORKPLACE

(1) Generally: SMCo prohibits retaliation against employees who raise concerns regarding discrimination, harassment, violations of law, unethical behavior, safety, or retaliation. This policy applies regardless of the concern’s validity and regardless of whether the concern is raised formally or informally. SMCo also prohibits retaliation against employees who participate in investigations or lawsuits related to such concerns.

(2) Retaliation: When we refer to retaliation, we mean any kind of negative action against a current or former employee that takes the form of punishment and creates a hostile, threatening, or uncomfortable environment as a result of their reported concern. Retaliation in the workplace may be expressed in a variety of ways including, but not limited to: harassment, victimization, termination or retraction of benefits, reduction of compensation, poor work performance evaluation, exclusion from company events or meetings, and defamation of character. Employees who consider engaging in retaliation should be aware that such activity not only harms our trustworthiness and reliability as a company, but it also may expose us to serious legal risk.

(C) FAILURE TO OBSERVE POLICIES

If LT determines that an employee has failed to observe these Operating Policies, LT will review the matter and decide an appropriate response, including any need for corrective action up to and including termination of employment.

5. Operations

(A) GENERAL EXPECTATION

SMCo expects and values individual responsibility rather than constant oversight. Employees are expected to be responsible, take care of themselves, and ask for what they need. At the same time, employees are accountable to supervising staff and receive support from them.

(B) COMMUNICATIONS

(1) Internal Communications

- All employees are responsible for understanding the SMCo Operating Policies, including Appendices.
- All carpenters are responsible for understanding the SMCo Carpenter Manual (see Appendix B).
- All employees are responsible for checking their SMCo digital communication platforms during the work week.
- All employees are expected to attend Company meetings, and departmental meetings as required.

(2) External Communications

(a) In Conversation:

- Be transparent about your relationship with SMCo (“I am an Intern / Project Lead / Architect / Owner”).
- Speak only from your point of view, not on behalf of the company.
- Do not share information that is considered confidential, controversial, or proprietary. If you are unsure whether or not a subject falls into one of these categories, err on the side of caution, then follow up with the Communications Coordinator (Abbie).

(b) On Social Media:

- Consider content carefully. Your activity might be seen by clients, trade partners, etc.
- Post only your creations. Steer clear of logos as well as content or ideas generated by others.
- Tag @southmountaincompany in every applicable post, story, or reel.
- In the event of negative or disparaging feedback, resist the temptation to react. Instead, pass it along to the Communications Coordinator (Abbie).

(c) Formal Speaking Engagements:

- See *Professional Development / Professional Outreach*

(C) WORK ARRANGEMENTS, HOURS & ABSENCES

(1) Generally: SMCo allows employees some measure of personal flexibility in their work schedule. Since much of our work, however, is team-based, employees have a responsibility to coordinate and communicate regarding regular hours, planned absences, and unplanned absences. There is a daily obligation as well as the annual hours obligation to satisfy.

(2) Flexible Work Arrangements: We are open to considering flexible work arrangements on an individual basis. Since each case is specific, we do not have a blanket policy. If this option is something you need, please discuss it with your Department Director.

(3) Hybrid Office: An office employee may choose to work certain hours at an alternate location (such as a home office), with the expectation that they will work at SMCo HQ at least on Tuesdays and Wednesdays, 8:30 AM to 2:30 PM.

(4) Unplanned Absences: If you are going to be absent from work, arrive late, or depart early, it is important to notify your supervisor as far in advance as possible.

(5) Planned Absences: Always indicate planned absences on the SMCo online calendar. It is important to notify your supervisor as far in advance as possible, and it is essential that Administration knows when people are at work or not.

(6) Timesheets: Enter your timesheet information every week, by the end of the day Sunday.

(D) TRANSPORTATION ALLOWANCE

(1) All Employees: Each employee receives an annual transportation allowance, paid weekly as part of their compensation. This allowance is intended to cover employee costs associated with driving for work purposes, such as fuel, maintenance, and depreciation (wear and tear). This allowance covers the first work-related 3,350 miles driven a year (this is based on the IRS mileage reimbursement rate and will be updated annually to align with IRS). It would be a rare occasion where an employee exceeds this number of miles per year for work.

(2) Vehicle Used as Tool: In addition to the above allowance, any Production, Field, or Energy Technology Field staff who regularly uses their vehicle as a “tool,” transporting materials, etc., in their daily work, is eligible for a \$1,200 net stipend issued annually on May 1 for work-related maintenance, repairs, and depreciation on their personal vehicle. To apply, contact your Department Director at evaluation time.

(E) BUSINESS TRAVEL

If business travel is approved by LT, employees are paid for both work and travel time. If business is combined with pleasure, employees are paid only for what can be considered legitimate business expenses. Expenses should be billed appropriately. Questions should be referred to the Director of Finance & Administration (Siobhán). (See also: *Compensation & Benefits / Professional Development / Compensation & Reimbursements*)

(F) DRIVE LESS

In order to reduce the impact of commuting, and to promote the health benefits of biking and walking, employees who choose not to bring a vehicle to work may receive the following incentives:

Walking or biking	\$5/day
Public transportation	\$150 bus pass/year

To receive compensation, submit to the Director of Finance & Administration (Siobhán) a quarterly log detailing the dates you are eligible to be paid for these incentives.

(G) USE OF SMCO FACILITIES, EQUIPMENT, VEHICLES & ACCOUNTS

(1) Personal Use

(a) Office equipment is available for personal use, as scheduling permits.

(b) The company dump trucks, telehandlers, and shop are available for personal use, but are to be used by SMCo employees only, and only as scheduling permits. Use of a telehandler requires a qualified driver and approval by the Director of Production (Newell).

(c) Materials from SMCo inventory for personal use must be approved by the Shop inventory manager (Nic).

(d) SMCo resources used for personal use will be billed to the employee at the following rates, plus a 5% overhead charge:

Shop and office equipment	No Charge
Company dump truck	No Charge
Telehandler	No Charge
Materials	At Cost

(e) SMCo charge accounts should not be used for personal purchases except in the case of work on an employee’s primary residence. In that case, if SMCo is not doing the work on the house, the Director of Finance & Administration (Siobhán) should be informed in advance that the employee will be using the accounts and for how long.

(2) Side Job Use

(a) No SMCo facilities or equipment may be used for a side job during regular business hours.

(b) The company dump trucks, telehandlers, and shop are available for side job use, but are to be used by SMCo employees only, and only as scheduling permits. Use of a telehandler requires a qualified driver and approval by the Director of Production (Newell).

(c) Materials from SMCo inventory for any use outside of SMCo jobs must be approved by the Shop inventory manager (Nic).

(d) SMCo resources used for side jobs will be billed to the employee at the following rates, plus a 5% overhead charge:

Shop and office equipment	\$20/hour
Company dump truck	\$20/hour
Telehandler	\$60/hour
Materials	Retail Price

(e) SMCo accounts are not to be used for employee side jobs. Employees who do side jobs are expected to set up their own accounts for materials/labor for these jobs.

(3) Use of Company-Owned Vehicles

(a) Generally

- Company-owned vehicles shall be driven only by SMCo employees primarily for business purposes (and by non-employees who have obtained permission from an SMCo Department Director, also for business purposes only).
- Vehicle operators must follow all rules described above in *Motor Vehicle Safety*.
- Please remember to leave the vehicle clean, leave it working, and leave it filled with gas or charged.

(b) Telehandlers: Telehandlers should not leave SMCo premises or jobs as a general rule. If a qualified operator needs a machine for personal use, they must ask the Director of Production (Newell), who may or may not approve the use.

(c) Dump Trucks: Before using a truck, be sure to sign it out on the shop chalkboard.

(d) Electric Vehicle (EV): *[Policy suspended until new EV bought.]* The SMCo EV is a shared company car. The following guidelines apply to the use of this car:

- If you have availed of the SMCo Electric Vehicle Purchase/Lease Incentive, please use your car and leave the SMCo car for others.
- The first time you use the car, please connect with the Director of Production (Newell) for a quick overview.
- Reserve the car using the SMCo online calendar (just like the meeting room). If the car has not been reserved and is in the lot, it can be used during work hours for short errands.
- Pick up the key from the key cabinet.
- Return the car to the upper parking lot, and return the key.
- Plug in the car each time you return it to SMCo.
- If you have a problem with the car, such as indicator light, etc., let the Director of Production know.
- The car is not to leave Martha's Vineyard, except for scheduled maintenance.
- If you have any questions about the car, or if you need the car for any personal use outside of the work day, ask the Director of Production (Newell) or the Director of Finance & Administration (Siobhán).

(4) Laptops, Tablets, and Cell Phones

(a) Personal Use: SMCo laptops, tablets, and cell phones are primarily intended for business use, but they also may be used for personal matters. Please limit personal use to just the employee, not shared family use. (We intend our giveaways to fill that need.) Since each device links to a wider set of SMCo data than ever before, we need to reduce the risk of damaging or losing data. Also,

since we need to ensure that each device is operating optimally, the fewer people handling these devices, the better.

(b) Cell Phones: SMCo will provide cell phones and service to all benefitted employees. The IT Administrator (Mia) should be notified in the event of any international travel.

(c) Phone & Tablet Cases: We require all employees to buy cases for their smartphones and tablets to prevent damage. An allowance is available for the purchase of a case in the amount of \$30 for SMCo-owned phones and \$50 for SMCo-owned tablets. This allowance is intended to cover one case per device upgrade (should the case break, the second case would not be reimbursable), and to cover the more expensive Otterbox or similar cases recommended for the Field. Submit receipts to the IT Administrator (Mia) for reimbursement.

(d) Laptop Cases: If you would like to purchase a protective case for your SMCo laptop computer, submit the receipt for reimbursement up to \$50.

(5) Generators: If there is a hurricane or general emergency, generators are to remain at the shop, so the facility can be used by everyone. If someone needs a generator at other times, they should ask the Shop Co-Lead (Jon) and sign it out on the Dump Truck Board.

(6) Use of Facilities by Nonprofits: Employees who are on the board of, or actively engaged with, a local nonprofit may use SMCo facilities to host meetings. The employee should use the SMCo online calendar for room reservations, be present for the duration of the meeting, and ensure that all spaces are left as they were found. The SMCo employee hosting the meeting is responsible for final cleanup and building lockup, and must be the last person from the meeting to leave the building.

(7) Use of Facilities by Former Employees: SMCo facilities (not including rolling stock, which can only be used by employees) may be used by former employees by permission only, and for personal use only. If shop work is needed for commercial projects, it can only be done by current shop employees at regular rates. Permission should come from the appropriate party: Shop Co-Lead (Jon) for shop, and the Director of Finance & Administration (Siobhán) for office, etc.

(H) RESPONSIBILITY FOR RESOURCES

Care for resources is expected in all situations. Please use equipment, tools, and materials correctly. Return tools to their places, clean and in good condition. If something is damaged, please inform your supervisor and/or Administration. Avoid unnecessary waste and spending. Recycle when possible.

(I) JOB WASTE & GIVEAWAYS

All materials and items available from houses, or scrap materials, that have a value of less than \$100 will be distributed by Project Leads. All materials with greater value should be reported to Production Support (Peggy), who will coordinate this process. Employees will be notified of available items via SMCo communications. Particulars about removal requirements will be included. Interested employees must respond as noted. If more than one employee wants the same item, Production Support and the interested employees will decide together on the most sensible way to distribute, whether by discussion or lottery.

(J) OUTSIDE EMPLOYMENT

(1) Generally: Outside employment, commonly known as a “side job,” means any private practice, private consulting, or any professional activity performed by an SMCo employee which is not part of the employee’s official SMCo duties. Side jobs must always be secondary to consistent performance at SMCo and should not intrude on the workday in any way. Employees must come to work fully prepared to concentrate on work and in good condition to perform the work.

(2) Communication: No side job communication should occur at any time during the workday with the exception of scheduled breaks (except caretaking emergencies).

(3) Leaving the Project Site: No side job trips should occur at any time during the work day, except maximum 30 minutes absence from work during lunch (except caretaking emergencies).

(4) Trade Partners: Employees using SMCo trade partners for side jobs must conscientiously avoid scheduling conflicts with SMCo jobs.

(5) Clients: No employee should engage in architecture or construction side jobs for current or former SMCo clients unless approved by the CEO (Deirdre).

(6) Use of SMCo Resources: See *Use of SMCo Facilities, Equipment, Vehicles & Accounts/Side Job Use*.

(K) FINANCIAL PRACTICES

(1) Investments: The purpose of this policy is to guide the SMCo Director of Finance & Administration and outside investment managers in investment of the SMCo 401k Retirement Plan Fund and the SMCo Equity Fund. In our investments, we are committed to the following practices:

- Use a diversified portfolio to meet the dual objectives of long-term growth while providing liquidity and protection for distributions.
- Seek out companies that promote positive social and environmental impacts, including environmental sustainability, community development, workplace democracy, and living wages.
- Invest 10% of our Equity Fund in local (200 mile radius) entities that advance our regenerative economy.
- Because we do not agree with the direction that certain industries represent for our society and economy, we will not invest in companies that:
 - Are engaged in fossil fuels and other extractives, nuclear energy, tobacco, and weapons manufacture
 - Use forced labor or child labor
 - Operate for-profit prisons
 - Manufacture environmental toxicants

(2) Internal Financial Practices

- All checks in amounts over \$10,000 will require two signatures.

- The signature stamp will be kept in a secure, locked place and will be used only by the primary check-writer for multiple checks.
- Bank statements will go unopened to the Director of Finance & Administration (Siobhán) who will open and review them before passing on to the Bookkeeper (Mia).
- Regarding financial powers, the Board has passed resolutions to allow: any two of the four officers to borrow; any two of the four officers to pledge securities; and either the President, Vice President, or the Treasurer to wire-transfer funds.
- SMCo will provide gifts for various occasions. Administration will maintain a list of occasions to be recognized and the types and values of gifts to be given.

(L) MEETING PROCEDURES

(1) Generally: Good meetings do not happen by chance. At SMCo, we work to make meetings efficient, productive, inclusive, and satisfying by observing the practices outlined in *Meetings & Decision-Making at South Mountain Company* (see Appendix C). Note that the SMCo Bylaws have additional specific provisions for Owner meetings and Board meetings.

(2) Open Meetings: Owner and Board meetings are open to all employees. You are welcome to observe and participate in these meetings, but decision-making is reserved for members of those bodies. LT meetings are limited to LT members, but if you would like to suggest an agenda item, please speak with the CEO (Deirdre) or any of the Department Directors.

(3) Facilitation

- Owner meetings are facilitated by the President (Deirdre) or other designee of the Owners.
- Board meetings are facilitated by the CEO (Deirdre).
- Company meetings are facilitated by the CEO (Deirdre) and the LT.
- All other meetings are facilitated by the Chairperson of the particular committee.

(4) Minutes

- All Owner, Board, and LT minutes (with the exception of LT minutes related to human resource matters) will be distributed to all employees. Committee minutes will be distributed to respective committee members.
- Minutes will be distributed within 72 hours of meetings, if possible. Minutes will be distributed via SMCo communications.
- Minutes of all meetings will routinely be reviewed by LT.
- All SMCo minutes are confidential, for employee use only, and should not be shared or forwarded outside the company. Owner, Board, and LT minutes are particularly sensitive and should be stored and disposed of with care.

A group of approximately 40 people, including men and women of various ages, are posed in front of a large, light-colored wooden building with a gabled roof. The building has a sign that reads "south mountain" above a large window. The group is arranged in several rows, with some people sitting on a wooden bench in the front. The background shows trees and a clear sky. The entire image has a light blue tint.

south
mountain

E. Employment

1. Types of Employees

(A) GENERALLY

(1) Employees are the individuals who are responsible for conducting the work of SMCo in alignment with the company’s mission and guiding principles.

(2) Employees are individuals who are currently on the SMCo payroll.

(3) SMCo is a worker-owned cooperative, which means that all the Owners of SMCo are employees. Not all employees, though, will become Owners (see the *Ownership* section above for more details).

(4) The first six months of employment for all new employees (including those who were at one time previously employed by SMCo) will serve as a trial period. At the end of this six-month period, the new employee will be evaluated and SMCo will determine whether or not to continue employment.

(5) SMCo employees are employed on an “at will” basis. This means that employment is for an indefinite period of time and it is subject to termination by either the employee or SMCo, with or without cause, with or without notice, and at any time. Nothing in these Operating Policies shall be interpreted to eliminate or modify in any way the at will employment status of SMCo employees. At will employment status may be modified only by a written employment agreement with an employee which is signed by the CEO (Deirdre) and the Director of Finance & Administration (Siobhán).

(B) BENEFITTED EMPLOYEE

(1) Defined: A benefitted employee is an SMCo employee who is employed on a continuing full-time or three-quarter time basis, in accordance with the hours requirement chart below.

(2) Three-Quarter Time Employees: Proposals for three-quarter time employment need LT approval. All individual arrangements must work for the company as well as the employee. Three-quarter time employment is arranged as a reduced-hour work week.

(3) Annual Hours Requirement for Benefits: All employees are expected to work at least the minimum number of hours for their category during each fiscal year (May 1 - April 30). This is the required number of hours to receive benefits. It is not necessarily the number of hours it will take for an employee to do their job (e.g., see the hours requirement for salaried employees in *Compensation & Benefits/Compensation*). The reduced requirement for employees who work primarily outside is in recognition of weather, daylight hours, and the physical stress of the job. Hours worked do not include hours for time off.

Employee Category	Full-Time	3/4 Time	Part-Time
Company Manager	1800 Hrs	1350 Hrs	<1350 Hrs
Department Director	1800 Hrs	1350 Hrs	<1350 Hrs
Lead/Licensed Professional	1800 Hrs	1350 Hrs	<1350 Hrs
Assistant Lead (Inside)	1800 Hrs	1350 Hrs	<1350 Hrs
Associate (Inside)	1800 Hrs	1350 Hrs	<1350 Hrs
Apprentice (Inside)	1800 Hrs	1350 Hrs	<1350 Hrs
Assistant Lead (Outside)	1750 Hrs	1313 Hrs	<1313 Hrs
Associate (Outside)	1750 Hrs	1313 Hrs	<1313 Hrs
Apprentice (Outside)	1750 Hrs	1313 Hrs	<1313 Hrs

Exceptions to this hours requirement include:

- Project Leads and Shop employees over age 60 are entitled to a 50-hour exemption on the above requirements to acknowledge the physical component of their work.
- Assistant Leads (Outside) and Associates (Outside) over age 60 are entitled to a 100-hour exemption on the above requirements to acknowledge the physical component of their work.

- If a serious medical or personal situation affects an employee's ability to fulfill their hours requirement, the employee may petition the Personal Support Committee, at fiscal year end, to waive all or some of the shortfall.

(C) NON-BENEFITTED EMPLOYEE

(1) Defined: A non-benefitted employee is an SMCo employee who meets one or more of the following criteria:

- Is employed on a part-time basis, in accordance with the hours requirement chart above.
- Is employed for a temporary period.
- Has an employment agreement with SMCo which excludes benefits.

(2) Part-Time Employees: Proposals for part-time employment need LT approval. All individual arrangements must work for the company as well as the employee. Any employee who makes an arrangement with LT to work less than three-quarter time will be considered a part-time employee. Part-time employees are not eligible to receive benefits.

(D) INTERNSHIPS & MENTORSHIPS

(1) Internships

(a) Purpose: The spirit of our internship program is one of mutual benefit: the intern acquires new skills and is exposed to new environments, and SMCo receives assistance on specific projects and meets qualified young people with new perspectives. Internships are differentiated from other kinds of temporary employees by an active learning component, an assigned mentor, and a substantial project.

(b) Eligibility: Internships in Production are available to high school students with experience, generally through the MVRHS CTE program. Internships in all departments are available for college students or postgraduates. Interns are selected by the level of experience appropriate for projects SMCo has in mind; this varies by department. Internship requests should be directed to LT.

(c) Employment: An intern is a temporary non-benefitted SMCo employee, paid at the applicable SMCo rate. The position has set hours and may be part-time or full-time. An intern may be reimbursed for business-related mileage according to the current IRS formula.

(d) Duration: An internship lasts for a fixed duration (six months maximum). Generally, an internship is considered a one-time experience, but it is possible for an internship to be extended beyond the six-month maximum, or repeated, with approval by LT.

(e) Program

- As with any new employee, SMCo provides the intern with orientation, desk space and/or tools, substantial feedback, interaction with different areas of the company, and exposure to the inner workings of our business (organizational process, need for confidentiality, importance of teamwork, open book management, etc.).
- When creating internship opportunities within SMCo, each department should identify learning components, substantial projects, and challenging but realistic tasks interns can complete within the time allowed.
- The department should select an employee who will act as a guide throughout the internship – providing leadership, communicating, developing, training, and evaluating.

(2) Mentorships

(a) Purpose: Mentorships are designed to expose students to our field, and to business in general, without expectation that the mentee will generate productive work. Mentees are typically high school students, sponsored by their schools, and their experience at SMCo is regarded as part of their education.

(b) Arrangements: Mentorship requests should be directed to LT. If approved, a mentor will be assigned to work with the student and to determine the specific program and duration.

(c) Employment: A mentee is not an employee of SMCo and is not paid by SMCo for any work they complete during the mentorship program.

2. Compensation & Benefits

(A) COMPENSATION PHILOSOPHY

At SMC_o, we hire for long-term employment and worker ownership.

Our compensation packages are designed to meet the needs of employees at many stages of their lives and rely on a total-rewards model, of which competitive wages are a key part. We also focus on work/life balance, generous time off, 401K match, housing and electric vehicle grants, professional development opportunities, industry-leading health benefits, and more.

Additionally, our profit-sharing program distributes a portion of the company profits to all employees, and our worker-ownership model distributes a patronage allocation designed to build long-term wealth among SMC_o Owners. Both programs are based on the hours each employee works, not on their wage rate or another hierarchical system.

We strive to maintain a total compensation ratio from highest paid to lowest paid that is no more than 4 to 1, and we commit to paying staff fairly and justly relative to each other.

We increase all wages annually through Cost of Living Adjustments (COLA). Performance is rewarded by progress raises based on skill development and mastery, level of responsibility, recent past performance, and training. Performance bonuses celebrate each year's achievements. We have transparent wage scales that are accessible to all staff.

We generally promote from within, incentivizing career and compensation pathways to move up.

(B) ELIGIBILITY

(1) Benefitted Employees: All Benefitted Employees are eligible to receive employee benefits as described in this section, with the following adjustments applied as appropriate:

(a) Three-Quarter Time Employees: Three-quarter time employee benefits are prorated to 75% of full-time employee benefits. The prorated benefits are: Vacation/Holidays, Sick/Personal Time, Parental Leave, and Tool Allowance. If a three-quarter time employee elects to participate in our health plans, they will contribute 25% of premium costs, which will be taken as a deduction through payroll.

(b) Short Hours: If an employee works less than their minimum hours requirement, they will be expected to pay the product of the number of hours they are short multiplied by the cost of their benefits per hour, unless the hours requirement is waived by the Personal Support Committee. This is calculated at the end of the fiscal year.

(2) Non-Benefitted Employees: All Non-Benefitted Employees are ineligible to receive employee benefits as described in this section.

(C) COMPENSATION

(1) Base Pay

(a) Hourly Employees: Most employees are paid on an hourly basis.

(b) Salaried Employees: Company Managers and Department Directors are paid on a salary basis. Salaried employees have an hours requirement of 1950 hours per year to receive their full salary (although their hours requirement for benefits is 1800 hours). If a salaried employee does not reach the 1950 hours requirement and does not receive a waiver from Personal Support Committee, they must refund a pro-rated portion of their salary.

(2) Overtime Pay

(a) Hourly Employees receive overtime compensation at the rate of time-and-a-half for all time worked over 40 hours per week. Each overtime hour counts as one hour only for the purposes of profit sharing and calculating hours worked. Paid time off cannot be used to earn overtime.

(b) Salaried Employees receive compensation, at the rate of salary divided by 1950, for hours they work above 1950 hours per year. This additional compensation will be paid out in a lump sum annually at fiscal year end. Each

hour counts as one hour only for the purposes of profit sharing and calculating hours worked.

(3) Base Pay Increases & Bonuses: Increases to an employee’s base pay are determined during the annual employee evaluation process and go into effect on May 1 of each year. Three possibilities are considered.

(a) Cost of Living Adjustment (COLA): An increase to base pay given to all employees.

(b) Progress Raise: An increase to base pay given to an employee to acknowledge growth in their role.

(c) Performance Bonus: A selective one-time bonus given to an employee to recognize an excellent year.

(4) Retirement Plan: SMCo offers a Regular 401k retirement plan to all employees after one year of employment and a minimum of 1,000 hours worked. The entry date is January 1 or July 1 after one year. An overview and history of the plan are available upon request. Plan investments are made in consultation with our investment advisor Deborah Tharp at Morgan Stanley, and in accordance with our Investments policy (located in *Financial Practices*). Contributions may be made through weekly payroll deductions and/or annual profit sharing payments. The employee contribution for 2023 cannot exceed \$22,500 unless the employee is 50 years or older, in which case an additional \$7,500 catch-up contribution is permitted annually. SMCo also contributes a match payment equal to 3% of gross wages. If an employee elects to opt out of the plan, their wage rate will be increased accordingly, and they will be unable to opt in at any time in the future.

(5) Profit Sharing: SMCo offers profit sharing based upon “net income before fiscal year-end accounting adjustments” and employee hours worked within each fiscal year. LT decides on the total amount of profit sharing to be distributed each year using the chart below for guidance. The total amount to be distributed is divided by the total hours worked by SMCo employees. The resulting per-hour factor is multiplied by each employee’s hourly total. Profit sharing payments are processed as a bonus through payroll, and are distributed before the end of the calendar year for the fiscal year that ended on April 30th of that year.

Net Income*	% Distrib.	Distribution Range	Avg.\$/Hour
<\$250,000	35%	\$0-\$87,500	\$0.00-\$1.62
\$250,000-\$500,000	33%	\$82,500-\$165,000	\$1.53-\$3.06
\$500,000-\$750,000	30%	\$150,000-\$225,000	\$2.78-\$4.17
\$750,000-\$1,000,000	28%	\$210,000-\$280,000	\$3.89-\$5.19

* Net income before fiscal year-end accounting adjustments

(D) TIME OFF

(1) Generally: Employees may take time off from work as described below.

(a) Hourly Employees: Hours of time off do not count as hours worked toward the Annual Hours Requirement for Benefits. All employees are encouraged to pay close attention to the policy regarding short hours (see *Compensation & Benefits/Eligibility/Benefitted Employees/Short Hours*). Certain categories of time off, as indicated below, are paid according to the number of hours taken.

(b) Salaried Employees: Hours of time off do not count as hours worked toward either the salary hours requirement or the Annual Hours Requirement for Benefits. All employees are encouraged to pay close attention to the policy regarding short hours (see *Compensation & Benefits/Eligibility/Benefitted Employees/Short Hours*). In addition, salaried employees are encouraged to pay attention to the policy regarding salary hour requirements (see *Compensation & Benefits/Compensation/Base Pay*). Time off is not paid as such since the value of time off is built in to the salary calculation.

(c) Scheduling: All time off (paid and unpaid) should be discussed with, and endorsed by, your Department Director well in advance and taken as job schedule dictates. If you plan on being away for three weeks or longer, you must have approval from your Department Director and LT. Please remember that long periods of time off have company-wide effects. Running a business as we do depends on each employee working a minimum number of hours, so it’s important to follow this process for long absences.

(2) Vacation/Holidays: SMCo combines paid vacation and paid holidays into one category. This combined time is accrued beginning at an employee's date of hire and according to the schedule below. Note that ten holidays per calendar year are included in this schedule. In order to promote inclusivity, flexibility, and work-life balance, the dates on which holidays are observed are at employee discretion and do not need to follow the federal holiday calendar. Each employee is free to schedule their holiday time as desired to observe occasions that are important to them. All unused hours in this category will be paid out at the end of each calendar year, unless an employee elects to roll over a maximum of 80 hours into the following year.

At date of hire:	15 days (120 hours) per calendar year
After three years:	20 days (160 hours) per calendar year
After six years:	25 days (200 hours) per calendar year
After nine years:	30 days (240 hours) per calendar year
After twelve years:	35 days (280 hours) per calendar year*

*We recognize that hourly employees who have earned 35 days of vacation/holidays, who work 40-hour weeks, and who have an annual hours requirement of 1800 hours, will not meet their hours requirement in any year that they take all their due vacation/holidays and sick/personal time. Employees who encounter this policy conflict can meet their hours requirement shortfall by working overtime and/or by taking compensation in lieu of vacation.

(3) Sick/Personal Time: SMCo provides seven days (56 hours) paid sick/personal time per calendar year, four days (32 hours) of which may be carried into the next year. For any work-related illness or injury, see *Compensation & Benefits/Financial Well-Being/Insurance Coverage/Workers Compensation*.

(4) Weather Days for Field Employees: In the event of inclement weather, the Director of Production (Newell) will decide which, if any, project sites will

be closed for the day. Energy Technology project sites will be decided by the PV Installation Project Lead (John Mazza). Every effort will be made to assign affected Field employees to work at an alternative site. In the event that replacement work is not available, SMCo will provide each affected Field employee with pay up to 8 hours for the Weather Day.

(5) Breaks & Meals: Employees are paid for one 15-minute break during the day and are allowed to take unpaid time for additional breaks or meals. Expenses for unofficial social gatherings, such as meals out, should be self-funded.

(6) Blood Donors: An employee will be paid for one hour of time lost from work when donating blood to the Red Cross.

(7) Firefighters, First Responders, Tactical Response Team: An employee who engages in public service as a firefighter, first responder, or tactical response team member will be paid for hours lost from work when responding to calls.

(8) Jury Duty: Employees who have jury duty will be paid by SMCo at their regular rate (up to 8 hours/day) for hours lost from work during the first three days. From the fourth day onwards, employees will be paid by SMCo at their regular rate, less the \$50/day compensation paid by the Commonwealth of MA.

(9) Sabbaticals

(a) Purpose: To encourage Owners to undertake activities that promote rejuvenation and personal/professional enrichment, and ultimately contribute to the collective benefit of SMCo.

(b) Criteria

- Eligibility begins after 7 years of full-time employment and is open to Owners only.
- In general, at least 6 years must elapse between an individual's sabbaticals.
- In general, sabbaticals will be limited to 2 per year company-wide.
- In general, sabbaticals are not for alternative employment (unpaid time off covers that).

(c) Length: The maximum length of each sabbatical will be 4 months, however it may be extended with LT approval. If an extension is requested, LT will consider the implications of the employee's absence.

(d) Compensation & Benefits: During the sabbatical period, salary and wages are unpaid, except in special situations as determined by LT. All benefits will continue during this period and will be paid for by SMCo. However, if the sabbatical is extended beyond 4 months, the employee must then pay into benefits. A sabbatical differs from unpaid time off in that the Annual Hours Requirement for Benefits, and the salary hours requirement (if applicable), will be prorated relative to the length of the sabbatical.

(e) Process: Applications are submitted to LT. Details and schedules are worked out with LT.

(10) Unpaid Time Off: Employees are allowed to take unpaid time off as needed for any purpose not covered by the *Medical and Family Leave* policy. During unpaid time off, the employee will not receive salary or wages but will continue to receive all benefits.

(E) PAID FAMILY & MEDICAL LEAVE (PFML)

(1) Eligibility: All SMCo employees are eligible for paid family and medical leave under the Massachusetts Paid Family and Medical Leave law. This program is funded through employer and employee contributions. SMCo employees qualify for any of the following reasons:

- Caring for your own serious health condition as certified by a health care provider, including illness, injury, or pregnancy/childbirth (up to 20 weeks of paid medical leave).
- Caring for a family member with a serious health condition as certified by a health care provider, including illness, injury, or pregnancy/childbirth (up to 12 weeks of paid family leave).
- Bonding with your child during the first 12 months after birth, adoption, or placement (up to 12 weeks of paid family leave).
- Caring for a family member who was injured serving in the armed forces (up to 26 weeks of paid family leave).

- Managing affairs while a family member is on active duty in the armed forces (up to 12 weeks of paid family leave).

(2) Application: The PFML program is administered by the Commonwealth of Massachusetts. General information and details about submitting an application for paid leave are available at <https://www.mass.gov/info-details/paid-family-and-medical-leave-pfml-overview-and-benefits>.

(3) Amount: The Massachusetts PFML benefit is based on several factors, including your individual average weekly wage, the average weekly wage for Massachusetts workers, and the type of leave you are taking. The maximum weekly benefit for 2023 is \$1,129. If the Massachusetts PFML benefit is less than 70% of an SMCo employee's gross wages for a regular 40-hour workweek, then SMCo will supplement the difference up to the 70% wage.

(4) SMCo Benefits & Hours Requirements: All SMCo benefits will remain in force during family and medical leave. The Annual Hours Requirement for Benefits, and the salary hours requirement (if applicable), will be prorated relative to the length of the family and medical leave.

(F) PARENTAL LEAVE

(1) Massachusetts Requirements: Massachusetts law requires employers with six or more employees to provide eight weeks of unpaid leave for the purpose of giving birth or for the placement of a child under the age of 18 (or under the age of 23 if the child is mentally or physically disabled) for adoption. All employees, regardless of gender, are eligible for parental leave. Employees must provide at least two weeks notice of the anticipated date of departure and state their intention to return to work at the end of the leave period. Parental leave applies after you have completed your initial probationary period (set by the terms of employment) but cannot exceed three months.

(2) SMCo Terms: Parental leave is for the purpose of preparing for or participating in the birth or adoption of a child and caring for a newborn or newly adopted child. Parental leave is not to be used for pregnancy-related medical conditions (see *Paid Family & Medical Leave* above). SMCo will pay employees on parental leave their full wage for eight weeks of leave.

(3) SMCo Benefits & Hours Requirements: All SMCo benefits will remain in force during parental leave. The Annual Hours Requirement for Benefits, and the salary hours requirement (if applicable), will be prorated relative to the length of the parental leave.

(G) HEALTH BENEFIT PLAN

(1) Group Health Plan: SMCo provides group health insurance coverage to employees working at least 30 hours per week. SMCo pays 100% of our standard HMO plan premium, deductible, co-pay, and prescription payments for eligible benefits. Details of coverage, and instructions for submitting claims and reimbursement requests, are provided in your health insurance materials.

(2) Group Dental Plan

(a) Generally: SMCo provides group dental insurance coverage to employees working at least 30 hours per week. SMCo pays 100% of our plan premium, deductible payments, and charges above usual and customary fees for eligible benefits up to a maximum of \$2,000 per person per plan year. Details of coverage, and instructions for submitting claims and reimbursement requests, are provided in your dental insurance materials.

(b) Orthodontics: Our plan typically covers 50% up to age 19, with a \$2,000 lifetime maximum benefit. SMCo matches the \$2,000 for a combined lifetime benefit of \$4,000.

(3) Additional Benefits: The following additional benefits are provided per calendar year (January 1-December 31):

(a) Compounded Prescriptions: SMCo will cover compounded prescriptions, if not covered by our health plan, for employees and their eligible family members up to a maximum of \$2,000 per family per health plan period. Instructions for submitting claims and reimbursement requests, are provided in your insurance materials.

(b) Wellness Benefit: SMCo will allow for reimbursement up to the following annual amounts for health expenses related to complementary medicine (gym memberships, gym equipment, fitness classes (yoga, Pilates, exercise), massage, vitamin and mineral supplements), vision expenses, and travel for medical purposes. Whenever a health expense can be covered via some other provision

of our Health Benefit Plan (for example, by using an in-network provider, or by applying for the fitness benefit), this Wellness Benefit will not apply to the amount which could be covered by that provision. Also, if an employee is on an HMO plan, this Wellness Benefit cannot be used for reimbursement of out-of-network charges. Unused portions may not be carried over to the next year. Each employee is allowed a maximum pooled allotment for this benefit. Employees will be responsible for any amounts over their maximum. This benefit is taxable based on usage.

Employee	\$1,000
Employee & Spouse/Domestic Partner	\$1,250
Employee & Children	\$1,500
Family (Including Domestic Partner)	\$1,750

(c) Mental Health Supplement: Mental health claims should be submitted to our health plan carrier. If our plan does not cover a mental health claim, SMCo will reimburse up to the following amounts per calendar year. Unused portions may not be carried over to the next year. Each employee is allowed a maximum pooled allotment for this benefit. Employees will be responsible for any amounts over their maximum.

Employee	\$1,000
Employee & Spouse/Domestic Partner	\$1,250
Employee & Children	\$1,500
Family (Including Domestic Partner)	\$1,500

(d) Hearing Aids: If hearing aids are not covered by our health plan, SMCo will cover 50% of the cost of hearing aids for employees and dependents to a maximum of \$2,500 in payments per individual per year.

(e) Reimbursements: Receipts for additional benefit expenses must be presented to the SMCo group administrator (Siobhán) for reimbursement.

(4) Health Benefit Plan Eligibility for Family Members

(a) Generally: Health Benefit Plan coverage is available to spouses, domestic partners, civil union partners, and children of eligible employees.

(b) Domestic Partners: In the case of domestic partnerships, the employee and their partner must cohabitate. In the case of a domestic partner no longer meeting this criteria, SMCo will terminate coverage for the domestic partner.

(c) Children: Children are eligible if the employee is either their birth parent or their adoptive parent.

(5) Opting Out:

(a) Generally: Employees may choose to opt out of the Group Health Plan and Group Dental Plan. If an employee formally opts out of either, the employee will receive as compensation the insurance premium equivalency only for their qualifying tier of insurance at the time of opt-out. To formally opt out, an employee must sign a waiver form.

(b) Changes in Value: The value of this opt-out reimbursement may change in two ways:

- If, at annual insurance plan renewal, the insurance premiums are adjusted.
- If an employee's qualifying tier of insurance changes during employment and therefore the value of the premium equivalency may change (up or down). Tiers of insurance are defined as: Employee; Employee and Spouse/Domestic Partner; Employee and Children; Family [Employee, Spouse/Domestic Partner, and Children].

Any annual adjustment in the premium equivalency amount is at the sole discretion of LT.

(c) Opting Back In: An employee may opt back in during the open enrollment period (30 days prior to annual insurance renewal) or if the employee has “a qualifying event.” Common qualifying events are:

- Loss of health coverage (including losing job-based coverage, individual or student coverage, turning 26 and losing coverage through parent plan, etc.).
- Changes in household composition (including divorce, marriage, birth or adoption of a child).

Contact our Group Administrator (Siobhán) to exercise any of the above options or for more information.

(H) FINANCIAL WELL-BEING

SMCo offers the following benefits to help each employee develop their own comprehensive approach to spending, saving, borrowing, and planning.

(1) Financial Planning: Financial planning is useful when planning a personal budget, debt strategies, buying a house, children’s education, retirement, wills, trusts, and health care directives. SMCo’s investment financial advisor, currently Deborah Tharp of Morgan Stanley, is recommended to each employee to assist with their personal financial planning. Contact the Director of Finance & Administration (Siobhán) for information.

(2) Insurance Coverage

(a) Life Insurance: Our life insurance benefit for employees is \$50,000, provided by the carrier UNUM. Coverage applies for the duration of employment. SMCo pays 100% of our plan premium.

(b) Workers Compensation Insurance: All employees are fully covered (for medical expenses and work time lost) by workers compensation insurance for SMCo work-related accidents or health problems. (Note that workers compensation insurance does not apply to injuries sustained on outside employment or “side jobs.”) In the event of *any work-related* accident, injury, near miss of an injury, or illness, immediately notify your supervisor, the Director of Production (Newell), and the Director of Finance and Administration (Siobhán). Additionally, as soon as possible, coordinate with the Production Administrator (Rachel) to complete the appropriate SMCo report. If an injury or health problem results in lost work time, SMCo will pay for the first five days of lost work time, after which workers compensation will commence. The employee’s hours requirement will be pro-rated and reduced by the amount of lost work time.

(c) Long-Term Disability Insurance: For disabling accidents or illness, SMCo provides long-term disability insurance for employees (not family members). Coverage is effective the date of hire. Long-term disability begins when the

maximum period for Medical Leave is met and continues until Social Security eligibility, or until the employee is able to return to work. The long-term benefit is 60% of average paycheck, to a maximum of \$8,000 per month. Because we include the premium cost in employee earnings annually, long-term disability is a non-taxable benefit. Our carrier is UNUM (www.unum.com) 1-877-225-2712.

(3) Employee Rates for Work Performed on Employee’s Primary

Residence: These rates are 30-45% or more below retail and must be negotiated case by case for larger projects. A 5% overhead charge will be added to all bills.

Engineering	\$100/hour
Architecture & Interior Design	\$75/hour
Energy & Project Lead	\$60/hour
Carpenter	\$50/hour
Trade Partners	At cost
Materials	At cost

(4) Employee Bills

Employees will be billed for SMCo labor and use of SMCo resources. All bills should be fully paid off in a maximum of 90 days. Any discounts earned by SMCo are passed along on these bills. Overhead of 5% will be charged on all bills.

(5) Employee Loans

(a) Amount: Interest-free loans of up to \$6,000 are available to employees. To apply for a loan, speak with the Director of Finance & Administration (Siobhán).

(b) Terms: Employee loans will be repaid in equal monthly installments, starting no more than 60 days after receipt of loan, with a maximum of 24 payments (e.g., a \$6,000 loan would be paid back in 24 payments of \$250). It is

the full responsibility of the borrower to make these payments on time and regularly.

(c) Interval: There shall be a two-year minimum interval between full repayment of a loan and a new loan request (except in the case of short-term bridge loans of 60 days or less, which do not trigger the waiting requirement).

(d) Total Indebtedness: Total individual indebtedness to the company (excluding the Ownership Fee) should never exceed \$6,000, except in the case of work on an employee’s primary residence.

(e) Cap: The total of all employee loans outstanding to SMCo at any one time shall not exceed a cap of \$50,000. This cap does not apply to ownership payment plans.

(6) Tool Allowance & Repairs

(a) Allowance: Field and shop employees receive a \$450 per calendar year tool allowance for purchasing necessary tools and equipment. This tool allowance is intended to cover the basic tools, work clothing, and footwear needed on the job as described in the SMCo Carpenter Manual. It is not intended to cover items that are likely to be used up or worn out by the end of a job (such items should be charged to the job). Unused portions of tool allowances may be carried over from year to year.

(b) Repairs: In addition to the tool allowance, SMCo pays for tool repairs. Tools must be boxed by the owner and detailed instructions must accompany the tool regarding repairs needed. Production Support (Peggy) can assist with this process.

(c) Headphones: For all other employees, where appropriate, SMCo will cover the cost of noise cancelling headphones. The price limit is \$350. Submit receipts to the Director of Finance & Administration (Siobhán) for reimbursement. This benefit is available once every three years.

(7) Truck Rack Purchase: SMCo will pay up to \$650 if a truck rack is needed for work, as decided by the Director of Production (Newell). If an employee purchases a cap that includes a rack, the employee can receive up to \$650 for the cost portion of the rack. Before an employee sells their truck, racks purchased by SMCo should be offered to someone in the company who needs it for work.

(8) Photovoltaic Systems: SMCo will install a PV system on an employee's primary residence and will bill according to the above *Employee Rates for Work Performed on Employee's Primary Residence*.

(9) Electric Vehicle Incentives

(a) Purchase/Lease Incentive: SMCo will provide an incentive, in the form of a check issued through payroll, for the purchase or lease (36 months minimum) of an electric vehicle (EV) as an employee's daily vehicle (where the primary user is the employee, not another family member). This incentive will be available once to any full-time employee (or three-quarter time employee on a pro-rated basis). A cumulative total of no more than \$20,000 per calendar year will be available on a first-come, first-served basis. This benefit applies as follows:

EV Car	\$3,000
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EV Truck or Van	\$5,500
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(b) Charging Stations: SMCo headquarters charging stations are available to charge employee electric vehicles at no cost. Before you connect your personal car to the charger, please make sure that the SMCo car is fully charged.

(10) Adoption Expenses: SMCo supports adoptive parents and will contribute to adoption expenses (including expenses related to the adoption of stepchildren.) For information, contact the Director of Finance and Administration (Siobhán).

(11) Housing Grants & Rental Subsidies

(a) Purpose: SMCo is committed to helping employees satisfy their housing needs for the following reasons: to ensure a more stable workforce; to enhance the lives of our employees; and to contribute to the sense of the company as a community. We do this using housing grants and rental subsidies.

(b) Housing Grants

- Program: An employee who is building or purchasing a home, or has recently purchased a home, may apply for a maximum grant of \$30,000. All grant amounts will be determined strictly based on need. The threshold for

establishing need is defined as the amount it will take for the employee to complete a new house, purchase an existing house, or be able to live in a currently-owned house, and maintain housing costs (mortgage, property taxes, insurance, and condo/lease fees) of *less than* 35% of combined household income.

- Availability: The availability of grants shall be based on the financial ability of the company to provide them at the time of need. Our resources are limited.
- Eligibility: Employees who have been full-time for a minimum of three years and are on an ownership track (as determined by both the employee and LT) are eligible to apply. The time of employment can be reduced if extenuating circumstances so dictate. Receipt of a rental subsidy does not preclude a future housing grant.
- Early Sales: If an employee who has received a grant sells within five years of grant approval, a prorated proportion of the grant will be repayable at closing (100% up to one year, 80% up to two years, 60% up to three years, 40% up to four years, and 20% up to five years).
- Decision-Making: Each case will be fully considered on its own merits and decided by LT.

(c) Rental Subsidies

- Program: An employee who is renting, and is not a homeowner, may apply for a rent subsidy of up to \$500/month for a maximum of two years.
- Availability: The availability of rent subsidies shall be based on the financial ability of the company to provide them at the time of need. Our resources are limited.
- Eligibility: All employees are eligible. The length of service at SMCo is not a factor. Receipt of a rental subsidy does not preclude a future housing grant.
- Decision-Making: Each case will be fully considered on its own merits and decided by LT.

(1) PROFESSIONAL DEVELOPMENT

SMCo believes in proactively advancing the skill sets, learning opportunities, and career goals of all employees. This process is carried out in the following ways.

(1) Orientation: During the first three months of employment, each new employee meets monthly, in our 30-60-90-day program, with their Department Director and the CEO (Deirdre) to ensure their successful transition to SMCo. At the six-month mark, we meet again to confirm that we are moving forward together and to begin identifying strengths and areas for development.

(2) Employee Evaluations

(a) Purpose: SMCo performs an annual evaluation with each employee. These evaluations have several purposes:

- To provide information about job performance for determining compensation and for recognizing progress and/or performance problems.
- To provide information to help us identify how to plan for necessary training or other coaching along with opportunity for feedback to help improve day-to-day performance, achieve goals, and prepare for future responsibilities. Constructive criticism should be welcome and expected.
- To provide a structured time for in-person employee feedback and to provide opportunities for employees to understand the rationale for compensation decisions and performance recommendations.

(b) Process: LT conducts the employee evaluation process. The process has four parts:

- Employee written self-evaluation form
- Employee meeting in April
- Written summary of the employee meeting
- Mid-year check-in in November

(c) Concerns Regarding Job Performance: In the event of repeated job performance concerns, clear performance objectives will be identified and a timeline for achieving them will be agreed upon. If the evaluation process continues to raise concerns regarding an employee's job performance, LT will

review the matter and decide an appropriate response, including any need for corrective action up to and including termination of employment.

(3) Training & Development

(a) Job Training: Upon hiring, SMCo will ensure that each employee receives adequate resources and training to enable them to carry out the responsibilities identified in their job description.

(b) Ongoing Training & Development:

- SMCo promotes access to professional education and training, through opportunities with outside organizations, and through on-the-job training. LT works with employees to identify and acquire the necessary skills and resources needed to support individual professional goals and licensing requirements and to support SMCo's organizational needs and objectives.
- Additionally, SMCo offers community work and occasional non-profit board service opportunities through which employees can gain professional skills and experience outside of their daily role.
- Employees are encouraged to seek out professional development opportunities that:
 - Enhance their job-related skills in pursuit of SMCo's strategic goals
 - Provide access to valuable information and colleagues which they may not come across in their daily lives
 - Support and share their particular passions and contribute to their professional development
 - Maintain their job-related licensing in Massachusetts
- Requests to participate in such opportunities may be made at annual evaluations or to LT at any time. Employees may also request to attend professional development courses held at SMCo that are not directly related to their job. If approved, they would be able to "audit" the course and it would be unpaid time.
- Upon completion of a training or development course, each employee shall prepare for LT a summary of what they have learned that includes a clear vision of how to incorporate lessons learned into our practice.

(4) Professional Outreach

(a) Generally: SMCo encourages employees to share their knowledge in the public realm, whenever appropriate. If an employee is invited to do so, they should check in with the Communications Committee for review and assistance with content.

(b) Compensation: We encourage the employee to seek compensation from the host organization either in the form of a stipend, expenses, or both. If SMCo is paying the employee for time and/or expenses, and if compensation is offered by the host organization, such compensation should be paid directly to South Mountain Company to reduce SMCo's expenses.

(c) Outside Board Service: Occasionally, at LT's request, an employee serves on an outside board of a nonprofit organization that is aligned with SMCo's mission and, in doing so, advances our company's interests. In such cases, SMCo will pay hours and expenses for the first board term (up to three years) up to 40 hours per fiscal year.

(5) Compensation & Reimbursements: SMCo will provide the following for approved professional development and outreach:

- Payment for a maximum of 8 hours per day for combined class time and travel time
- Payment for cost of course, conference, etc.
- Reimbursement for out-of-pocket transportation costs, including parking and tolls, but not including gas, which is covered by the Transportation Allowance
- Reimbursement for overnight accommodations
- A food stipend of up to \$50/day
- For study and preparation, the employee will only be compensated in special cases. Study time for licensing is not covered.

Reimbursements will be issued when the Bookkeeper (Mia) receives a simple itemized list of expenditures, with receipts.

3. Work Shortage

In the event of insufficient work to provide full-time employment for all employees of the company, the Board of Directors will select from the following options before deciding on permanent layoffs:

- Voluntary unpaid temporary rolling furloughs
- Employ people doing speculative work for a limited period of time
- Employ people doing non-income-producing work for a limited period of time
- Strategically reduce hours worked
- Reduce wages company-wide, on a percentage basis
- Involuntary unpaid temporary rolling furloughs

Before doing any of the above, LT will employ all resources at its disposal to create work for all.

4. Termination of Employment

(A) GENERALLY

As described above in *Types of Employees*, SMCo employees are employed on an “at will” basis. This means that employment is for an indefinite period of time and it is subject to termination by either the employee or SMCo, with or without cause, with or without notice, and at any time. In the event of termination of employment, the following provisions are intended to serve as a guideline. LT may, in some circumstances, decide that these provisions do not apply, or may apply them differently.

(B) INVOLUNTARY TERMINATION

In the event of the involuntary termination of an employee, the following severance package will apply:

- Severance pay to be determined.
- Prorated sick/personal and vacation/holiday time paid in full.
- The employee will not be eligible for profit sharing for the hours worked during the fiscal year.
- The employee will be expected to repay all SMCo bills and loans in full.
- The employee may elect to sign up for COBRA on the SMCo Health Plan (generally for 18 months) at their own expense.
- Owners may begin their equity payout as per the existing policy.

This severance will constitute the end of the financial arrangements between SMCo and the departing employee.

(C) VOLUNTARY TERMINATION

In the event that an employee decides to leave employment at SMCo voluntarily, the following will apply:

- A gift of \$250 net payout per year served for three-quarter and full-time benefitted employees.
- Prorated sick/personal and vacation/holiday time paid in full.
- Profit sharing for the hours worked during the fiscal year.
- The employee will be expected to repay all SMCo bills and loans in full.
- The employee may elect to sign up for COBRA on the SMCo Health Plan (generally for 18 months) at their own expense.
- Owners may begin their equity payout as per the existing policy.
- Owners will receive a photo book of their years at SMCo.
- Owners, who have served 10 years or more as an Owner, will be allowed to keep their phone and computer and will be expected to transfer them promptly to their own accounts.

(D) SUBSEQUENT PART-TIME EMPLOYMENT

In the event that a former employee wishes to continue to work at SMCo on a part-time flexible basis, and SMCo determines that there is a need, the former employee will become a non-benefitted employee at a new wage rate to be determined.

A group of approximately 40 people, including men and women of various ages, are posed in front of a large, light-colored wooden building with a gabled roof. The building has a sign above the entrance that reads "south mountain". The group is arranged in several rows, with some people sitting on a wooden bench in the front. The background shows trees and a clear sky. The entire image has a light blue tint.

south
mountain

F. Philanthropy

1. Purpose

As part of our commitment to our community and to social change, South Mountain Company donates time, resources, funds, and services to organizations aligned with our Mission and Guiding Principles and with the interests of the Owners and employees of SMCo. Our donations can help to provide leadership and financial assistance to our community on complex social and environmental issues. They also enhance our relationships with local nonprofits and community organizations.

2. Emphasis

We make the majority of our donations to on-island organizations with a strong emphasis on affordable housing, food, and energy initiatives. We make additional donations to organizations that fall within the following categories: Conservation & Environment, Schools & Children, Health & Social Services, Arts & Culture, Progressive Business Organizations, Global Poverty Relief, Crisis Relief, and In Memoriam. We also donate to organizations whose purpose is to promote political participation and community organization/action.

3. Financial Allocation

Our annual goal is to donate 20% of the company's previous year's net profits (per our accountant's financial statements).

4. Guidelines

SMCo selects recipient organizations using the following guidelines:

- (1) The organization's mission and principles align with SMCo's.
- (2) SMCo, or an individual employee, has a relationship with the organization.
- (3) The organization has limited resources (rather than a large budget and professional fundraising department).
- (4) The donation is consistent with this policy's stated Emphasis.
- (5) Cash donations are made only to US corporations classified as IRS 501(c)(3) nonprofit organizations.

5. Process

(A) DISTRIBUTION

Each year, after company financials are finalized, the Director of Finance & Administration (Siobhán) will determine the amounts available for distribution. The annual amount set aside for SMCo donations is generally distributed 50% via Cash Donations and 50% via Community Work, as specified below. The Leadership Team (LT) makes a detailed annual report to the Board of all donations and philanthropic impact.

(B) CASH DONATIONS

(1) Generally: Cash Donations are made only to IRS 501(c)(3) nonprofit organizations. Potential recipient organizations will be screened using third-party evaluations of their financial health, accountability, and transparency. Cash Donations are distributed through the SMCo Foundation, a separate entity with IRS 501(c)(3) status. (Note: The SMCo Foundation can also accept and redistribute donations of cash and/or property as deemed appropriate. The SMCo Foundation welcomes donations from living persons and estates for redistribution and/or designated purposes consistent with company values.) Cash Donations are distributed via two programs: Employee-Directed Giving and Strategic Giving.

(2) Employee-Directed Giving

- The purpose of the Employee-Directed Giving program is to financially support organizations that are important to employees of SMCo.
- The funds allocated to this program are 50% of the annual amount allocated for Cash Donations.
- In late October, the amount available for Employee-Directed Giving will be allocated equally among the employees. Each employee may earmark their portion for donations to 501(c)3 organizations of their choice.

- The Employee Donations Coordinator (Mia) will notify each employee of the amount allocated for their distribution, collect requests for distribution from employees, and make the distributions in November, a time when nonprofit organizations often have matching programs. If an employee prefers not to select any recipient organizations, they can select a category of giving from our list of philanthropic emphases, and SMCo will donate to a relevant organization with whom we are working closely at that time.
- The CEO (Deirdre) can make other decisions on donation requests that arise during the year for amounts up to \$250.
- In January of each year, the Board will review the list of donations made on behalf of employees.

(3) Strategic Giving

- The purpose of the Strategic Giving program is to make larger cash donations to nonprofit organizations in order to support their progress and/or effect change in areas important to SMCo. We prioritize organizations where we believe our donation can make the biggest impact, and/or the organization's projects align with our Strategic Plan.
- The funds allocated to this program are 50% of the annual amount allocated for Cash Donations.
- LT decides which organizations to support. Employees are encouraged to recommend opportunities to LT.
- As part of this process, LT will define and evaluate desired outcomes.

(C) COMMUNITY WORK

(1) Generally: Community Work is distributed via two programs: Employee Community Hours and Community Projects.

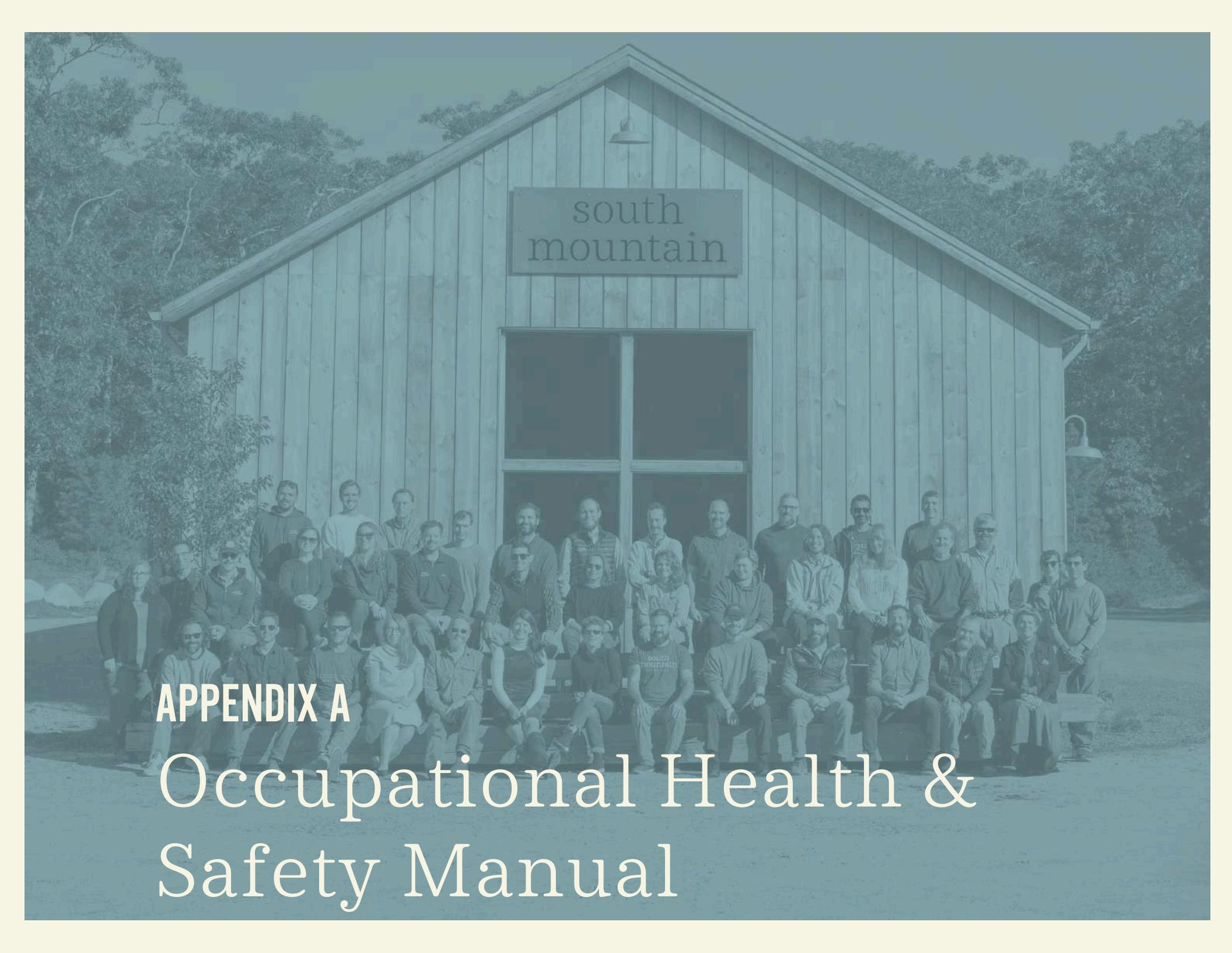
(2) Employee Community Hours

- The purpose of the Employee Community Hours program is to allow employees and SMCo to benefit from the experience of volunteering, and in doing so contribute to and strengthen our community ties.

- Each employee is eligible to be paid to volunteer for a local organization for four (4) hours per fiscal year. This time should be recorded as Community Hours, with a note on your timesheet about how the time has been used. This time will be counted towards hours worked.
- At the completion of their community hours, each employee should write up a paragraph on how they spent their four hours and submit to the Director of Finance & Administration (Siobhán) for LT.

(3) Community Projects

- The purpose of the Community Projects program is to make larger service and in-kind donations to local organizations/projects in order to support their progress and/or effect change in areas important to SMCo, prioritizing areas where our expertise and our staff can make the biggest impact.
- The amount available for Community Projects will be the amount set aside for Community Work, less the allocation for Employee Community Hours.
- LT decides which Community Projects to support. Employees are encouraged to recommend opportunities.
- As part of this process, LT will define and evaluate desired outcomes.

A group of approximately 40 people, including men and women of various ages, are posed in front of a large, light-colored wooden building with a gabled roof. The building has a sign above the entrance that reads "south mountain". The group is arranged in several rows, with some people sitting on a wooden bench in the front. The background shows trees and a clear sky. The entire image has a blue tint.

south
mountain

APPENDIX A

Occupational Health & Safety Manual

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Policy

- The South Mountain Company (SMCo) Occupational Health & Safety Policy, as summarized in our Operating Policies, states:

“Our Mission and Guiding Principles speak of a workplace which supports health and personal fulfillment. With that in mind, SMCo’s goal is to provide a safe working environment that is respectful of each employee’s need to perform their job efficiently, successfully, and safely. We make every effort to use materials that are environmentally benign and minimally toxic whenever possible and appropriate. We expect our employees and trade partners to use common sense on the job and to responsibly maintain their work areas. We expect vigilance with regard to safety of self and others on the job site. We encourage all to speak up about safety issues we need to be aware of and/or attend to.”

- This *Occupational Health & Safety Manual* is an important part of the SMCo safety policy. In particular, the section entitled “Health & Safety Rules” outlines the steps we take to prevent injuries, disabilities, fatalities, and property damage. SMCo employees are required to be fully familiar with these rules and to observe them at all times.
- Please see the Operating Policies for related policies regarding: Harassment, Violence, Motor Vehicle Safety, and Alcohol & Drug Use.
- This manual applies to all SMCo employees. Although it is oriented toward our Field employees in Production and Energy Technology, many sections are relevant to employees in the shop and office as well. Wherever the term “Project Lead” appears in this manual, office employees shall understand that this term means their immediate supervisor.

Health & Safety Rules

(A) INTRODUCTION

- At SMCo, we use the following occupational health and safety rules in order to minimize, and hopefully eliminate, all dangerous job-related behavior and situations.
- Additional rules are provided during periodic occupational health and safety training sessions and are found on equipment and materials labeling.
- To ensure that a safe workplace is maintained, SMCo employees must develop safe work habits and must observe all occupational health and safety rules throughout the workday.

(B) GENERAL PROJECT SITE SAFETY

- Do not bypass any safety rules in order to meet production demands.
- Work in such a manner as to ensure your own safety, as well as that of coworkers and others. Be on the lookout for potential hazards. The leading causes of worker deaths on construction sites are:
 - Falling (this accounts for over 1/3 of all deaths in construction)
 - Being struck by an object
 - Electrocutation
 - Being caught in or between

Other common hazards include:

- Heat
- Dust
- Fire
- Puncture
- Compression/Rollover
- Chemical Exposure
- Explosion
- Light/Optical Radiation

- Do not do a job unless you know how to do it safely and understand the hazards involved. Request assistance when unsure about how to perform any task safely.
- Keep work areas clean and orderly at all times. Keep project site debris, including lumber with protruding nails, clear from all work areas.
- Store and move all materials in such a way as to prevent tipping, sliding, falling, or collapsing.
- Place materials, trucks, skids, racks, boxes, ladders, and other equipment so that they do not block exits, fire fighting equipment, lighting, or power panels. Building exits must be free of all obstructions so they can be used immediately in case of fire or emergency.
- Do not wear loose clothing or dangling jewelry, or headphone cords outside of shirt. Confine long hair in a cap or fasten securely to the back of the head.
- Wear personal protective equipment appropriate to whatever task you are doing.
- Avoid engaging in horseplay, practical jokes, or distracting activity which could lead to injury of self or others.
- Immediately report to your Project Lead all unsafe actions, practices, equipment, or conditions you observe. If you believe that a reported concern is not satisfactorily addressed, then speak with the Director of Production.
- In the event of *any work-related* accident, injury, near miss of an injury, or illness, immediately notify your supervisor, the Director of Production (Newell), and the Director of Finance and Administration (Siobhán). Additionally, as soon as possible, coordinate with the Production Administrator (Rachel) to complete the appropriate SMCo report.
- Suggest ideas for accident prevention to your Project Lead or to the Director of Production.

(C) PERSONAL PROTECTIVE EQUIPMENT

Generally

- Use appropriate personal protective equipment (PPE) in all operations where you are exposed to hazardous conditions.
- Whenever possible, control hazards using methods other than PPE. For example, incorporate engineering controls, use a less toxic material, or use a different method.
- SMCo will train you in proper use of PPE. All PPE that is required will be provided, maintained, and paid for by the company. If you want to provide your own PPE, have your Project Lead inspect the equipment prior to use in order to ensure its adequacy.

Head Protection

- A hard hat is provided and should be worn at appropriate times. Such times include when overhead, falling, or flying hazards exist. Be especially alert to hazards posed by telehandler and crane work, roofing, framing, and trade partner activity.
- Inspect your hard hat at the start of each shift for dents, cracks, and deterioration. Maintain your hard hat in good condition. Do not drill, clean with strong detergents or solvents, paint, or store in extreme temperatures.
- If your hard hat takes a heavy blow or electrical shock, replace it even when you detect no visible damage.

Foot Protection

- Do not wear open-toed shoes on the job site. Composite high-profile toe safety shoes are recommended in areas where hazards exist. Such areas may include construction sites, the shop, the yard, and all material storage areas. When in the field or the shop, wear shoes with slip-resistant and puncture-resistant soles.

Eye and Face Protection

- Wear appropriate eye and face protection (such as safety glasses or face shields) when exposed to eye or face hazards. Be especially alert to hazards posed by cutting, nailing, welding, using power or impact tools, working on

tasks that produce dust or flying chips, working with concrete, and working with harmful chemicals.

- Use the equipment that correctly suits the hazard. Eye and face protectors are designed for particular hazards.
- If your vision requires the use of prescription lenses, wear either protective devices fitted with prescription lenses or protective devices designed to be worn over regular prescription eyewear. SMCo will reimburse this expense. Submit your receipt to the Director of Finance & Administration (Siobhán).
- Replace poorly fitting or damaged face shields and safety glasses.

Hand Protection

- Wear appropriate protective gloves when your hands are exposed to cuts, abrasions, punctures, burns, chemicals, and similar hazards.
- Wear the right gloves for the job. No gloves provide protection against all potential hand hazards.
- Do not wear gloves when they might be a hazard, such as when working close to blades. If wearing gloves in a potentially hazardous situation, do not wear loose-fitting or wrist-cinching type gloves.
- Replace poorly fitting or damaged gloves.
- Button shirt cuffs.

Hearing Protection

- Wear appropriate hearing protection in high noise areas, including:
 - When using or working near equipment that produces sustained noise, such as power tools, power saws, pneumatic tools, floor sanders, and chippers.
 - When metalworking or working near metal hammering, cutting, drilling, or forming.
 - When working near operating compressors or other noisy machinery.
- When in doubt, if sustained noise requires you to raise your voice to be heard at a distance of 4', wear appropriate hearing protection.

- Project site music and hearing protection should be such that you can easily hear someone yelling at 15'.
- Project site music should be no louder than the loudest tool on the job.

Respiratory Protection

- Wear appropriate respiratory protection equipment (such as a dust mask or a NIOSH-certified respirator) when there is a risk of exposure to materials, dust, or vapors that could cause respiratory injury. Take particular care when exposed to dust resulting from cutting of concrete, stone, or masonry.
- Wear the correct respiratory equipment for the job, and ensure that it fits properly.
- Replace respiratory equipment when poorly fitting or damaged.

Fall Protection

- See all information below in section (F) Fall Protection.
- Wear appropriate fall protection equipment (such as a safety belt, lifeline, lanyard, personal fall arrest system) as appropriate when working at heights.
- Do not use fall protection equipment unless you have been properly trained.
- Carefully inspect all of your fall protection equipment, including the anchor point, before using the equipment.

Exposure Protection

- Take care to protect yourself from extremes of temperature. Wear appropriate clothing to protect against wet conditions, and apply sunscreen and skin protection to guard against solar exposure.

(D) TOOLS & EQUIPMENT

All Tools & Equipment

- Do not use unsafe tools or equipment.
- Regularly inspect all tools and equipment that you use (whether they belong to you or the company), and maintain them in a safe condition.
- If a tool or piece of equipment is broken or damaged, clearly tag it “Do Not Use” and remove it from the project site.
- Any tool or equipment repair must be approved by an authorized person.
- Report any unsafe equipment to your Project Lead immediately.
- Operate tools and equipment only in well-lighted and safe work areas.
- Operate tools and equipment only when you can maintain good footing and balance.

Hand Tools

- Keep wooden handles free of splinters and cracks, and be sure the handles stay tight in the tool.
- Do not use wrenches when the jaws are sprung to the point of slippage. Replace them.
- Do not use impact tools with mushroomed heads. Grind off mushroomed heads or replace the tools.

Power Tools & Equipment

- Use power tools only when they are properly grounded or are marked as double-insulated.
- Use power tools only with GFCI protection. Run tools through a GFCI protected spider box when in doubt.
- Turn off or disconnect tools when not in use, before servicing or adjusting, and when changing accessories such as blades and bits.
- Do not adjust a machine setup while the machine is operating.
- Ensure that a tool’s power cord is protected from damage in the course of work: do not raise or lower tool by its cord; do not pull cord to disconnect it

from the receptacle; keep cord away from heat, oil, and sharp edges; do not remove ground prong from cord; and ensure that cord does not present a tripping hazard.

- Do not use electric tools in damp or wet locations unless they are approved for that purpose.
- Do not hold fingers on the switch button while carrying an energized tool.
- For air tools, see *(L) Gas Cylinders & Compressed Gases*.

Powder-Actuated Tools

- Do not use powder-actuated tools unless you have been properly trained.
- Do not load a powder actuated tool until immediately before use.
- Do not leave cartridges and loaded tools unattended.
- Store cartridges in a safe place.

(E) ELECTRICITY

- Inspect existing conditions before starting work on or near electrical circuits. Determine operating voltage of equipment and lines before working on or near energized parts. For buried power line locations, contact Dig Safe (see *Emergency Contacts*).
- Assume that all electric equipment and lines are energized until determined otherwise.
- Do not work near live parts of electrical circuits, unless you deenergize and ground the parts, or you guard the parts using approved insulation. Cover-up material, consisting of line hoses or blankets installed by the electric utility company, is for visual identification only and must not be regarded as protective equipment.
- If a piece of equipment or circuit needs to be deenergized, do not proceed until an authorized person conducts the approved Lockout-Tagout procedures.
- Do not operate any machine or equipment which has been deactivated according to Lockout-Tagout procedures. (Machines or equipment which

may cause injury due to unexpected energization or start up, or from the release of stored energy, will be subject to Lockout-Tagout procedures. These procedures will be performed only by authorized and trained employees.)

- Use caution if using a jack hammer, bar, shovel, or other hand tool that may contact an underground electrical line.
- Maintain at least a 10' clearance from overhead power lines.
- Be alert to metal equipment that can contact power lines, such as backhoes, forklifts, concrete pumpers, cranes, raised dump truck beds, long-handled tools, metal building materials, antennae, metal ladders, and scaffolds.
- When working near power lines, use nonconductive wood or fiberglass ladders.
- Install and use listed, labeled, or certified electrical equipment only in accordance with the instructions included in the listing, labeling, or certification.
- If you install temporary light bulbs for general illumination, ensure that: bulbs are protected from breakage, metal shell sockets are grounded, and lights are not suspended by their cords unless they are so designed.

Extension Cords

- Use extension cords only as a means of temporary wiring.
- Ensure that all receptacles that are not part of the permanent wiring are protected by GFCI's.
- Use only extension cords of the three-wire type, marked for hard or extra hard use, 12 gauge or better.
- Inspect all extension cords before use. If you see an extension cord that has one or more of the following characteristics, take it out of service immediately, tag it "Do Not Use", and remove it from the project site (SMCo will pay for cord replacement):
 - Cord has only two wires
 - Cord is damaged, worn, or frayed
 - Cord has been modified

- Cord is missing ground prong
- Do not modify an extension cord. SMCo will pay for cord replacement.
- Keep work spaces, walkways, and similar locations clear of extension cords.
- To reduce the likelihood of extension cord damage:
 - Remove cords from receptacles by pulling on the plugs, not the cords.
 - Keep cords away from heat, oil, and sharp edges.
 - Do not run cords through holes in walls, through doorways, in paths of traffic, across pinchpoints, or near moving parts of machinery.
 - Do not fasten extension cords with staples or hang them from nails.
- When a generator is set up on project site for ongoing use, ensure that the generator is grounded.

(F) FALL PROTECTION

Generally

- If you or others are exposed to falling 6' or more, do not continue working until you consult with your Project Lead and implement an appropriate fall protection system (such as a fence, barricade, cover, catch platform, guardrail system, or personal fall arrest system).
- Before each shift, carefully inspect all fall protection equipment.
- Install warning lines, using caution tape or paint, 6' back from all open sides and edges.
- If you or others are exposed to falling through a surface due to lack of structural strength or integrity, do not work or travel over that surface until the problem is corrected.

Personal Fall Arrest Systems

- A personal fall arrest system is a system used to safely stop (arrest) a worker who is falling from a working level. It consists of an anchorage, connectors, and a body harness. It also may include a lanyard, deceleration device, and a lifeline.

- Before each shift, carefully inspect all components of your personal fall arrest system.
- Do not use a personal fall arrest system unless you have been properly trained.

Guardrail Systems

- Top edge height of top rails must be 39-45” above the walking/working level. Guardrail system must be capable of withstanding at least 200 pounds of force applied within 2” of the top edge, in any direction and at any point along the edge.
- Midrails must be midway between the top edge of the guardrail system and the walking/working level. Midrails and other intermediate members must be installed between the top edge and the walking/working surface when there is no wall or other structure at least 21 inches high. Midrails and other intermediate members must be capable of withstanding at least 150 pounds of force applied in any direction at any point.
- Other structural members (such as additional midrails or architectural panels) must be installed so as to leave no openings wider than 19 inches.
- Guardrail systems must not have rough or jagged surfaces that would cause punctures, lacerations, or snagged clothing.

Working at Heights

- Do not work on a roof unless you are protected from falling by a personal fall arrest system or by a catch platform (consisting of supported scaffolds with standard guardrails, no more than 4’ below the entire edge of the roof).
- During installation of rafters and trusses, do not work from the top plate unless you are protected from falling by a personal fall arrest system or by a catch platform.
- During installation of floor joists or end plates, do not work from the top of the foundation wall. Use a ladder or scaffolds from the inside of the foundation.

Floor Openings

- Guard floor openings of 12” or more with a secured and appropriate cover, a standard guardrail, or equivalent on all sides (except at entrances to stairways).
- Hole covers must be able to withstand at least twice the weight that may be imposed on them. Generally, a minimum of 3/4” plywood must be used for covers, but in situations where the span exceeds 2’ in any direction, 2”x4” lumber must be used for additional support. Materials such as poly, sheetrock, tar paper, Tyvek, cardboard, or foam must not be used as hole covers.
- Standard guardrails must be 42” high, with 21” midrails, and capable of supporting 200 lbs. of pressure in any direction.
- When creating a stairwell:
 - Prior to cutting floor sheathing to the size of the rough opening, install warning lines, using caution tape or paint, 6’ back from all sides of the opening.
 - Install standard guardrails around the opening.

Wall Openings

- If a rough door opening creates a fall hazard, install a top guardrail at 42” and a midrail at 21”, fastening both rails to the interior of the wall studs.
- If a large rough window opening, or similar wall opening, has a bottom lower than 42”, install a guardrail at 42”. If the bottom is lower than 21”, also install a midrail at 21”. Fasten rails to the interior of the wall studs.

Roof Openings

- When feasible, do not remove sheathing for roof openings and skylights until immediately prior to placing the skylight or object that must project through the roof opening.
- Guard roof openings with a secured and appropriate cover. Hole covers must be able to withstand at least twice the weight that may be imposed on them. Generally, a minimum of 1/2” plywood must be used for covers, but in situations where the span exceeds 2’ in any direction, 2”x4” lumber must be

used for additional support. Materials such as poly, sheetrock, tar paper, Tyvek, cardboard, or foam must not be used as hole covers.

(G) STAIRS & RAMPS

- Keep all stairways, ramps, and their approaches, clear for safe passage.
- Do not place materials or debris on stairways or ramps.
- Correct slippery conditions on stairways and ramps immediately.
- Each jobsite will have a designated primary stairway. When building a temporary stairway, ensure that the following standards are met:
 - Stairways must be installed at least 30 degrees, and no more than 50 degrees, from the horizontal.
 - Landings must be at least 30" deep and 22" wide at every 12' or less of vertical rise.
 - Treads must cover the entire step and landing.
 - Handrail height must be between 30" and 37" from the upper surface of the handrail to the surface of the tread, in line with face of riser at forward edge of the tread.
 - Unprotected sides and edges of stairway landings must be provided with a guardrail system.
- Each jobsite will have a designated primary utility ramp. When building a temporary ramp (or walkway), ensure that the following standards are met:
 - No ramp shall be inclined more than a slope of 1' vertical to 3' horizontal (20° above the horizontal).
 - If the slope of a ramp is steeper than 1' vertical to 8' horizontal, the ramp shall have cleats not more than 14" apart which are securely fastened to the planks to provide footing.
 - Ramps 6' or more above lower levels shall have guardrail systems.

(H) LADDERS

- Always inspect your ladder before use. Look for defects such as structural damage, corrosion, split or bent side rails, and broken or missing rungs. Also inspect for grease, dirt or other contaminants that could cause slips or falls. All extension ladders must have hoisting ropes.
- If a ladder is not safe for use, immediately remove it from service, tag it "DO NOT USE", and notify the Project Lead so it can be repaired or replaced. SMC Co will pay for ladder replacement.
- Stud ladders must not be painted, and they must be decommissioned at the end of each project.
- Use only a ladder that is long enough to safely reach the work area. Ladders must extend 3' above landings.
- Place your ladder at a pitch of 1:4, so the rails are at roughly shoulder height arms length when standing at the base.
- Place your ladder only on stable and level surface, unless secured to prevent accidental movement. Do not place a ladder on boxes, barrels, or other unstable bases to obtain additional height. Use extreme care when a ladder rests on a slippery building wrap such as Tyvek.
- Maintain three points of contact with the ladder at all times. (For example: both feet and one hand, or both hands and one foot.)
- Do not lean away from the ladder to carry out your task. Maintain your center of gravity between the side rails to ensure that the ladder does not tip over or kick out.
- When using a stepladder, do not use the top two steps, and ensure that both spreaders are locked.
- Never load ladders beyond the manufacturer's rated capacity (including the weight of the user, materials, and tools).
- When working near electrical work or overhead power lines, only use ladders with nonconductive siderails.
- Do not place a ladder in front of a door that opens toward the ladder, unless the door is blocked, locked, or guarded.

(I) SCAFFOLDS

Scaffolds include pipe staging, pump staging, and site-built scaffolding.

- When working on scaffolds, be alert to fall hazards, falling object hazards, electrical hazards, handling of materials, and maximum intended loads.
- Erect, move, dismantle, and alter scaffolds only under the supervision of an authorized and qualified person.
- Do not use any scaffolds unless:
 - The scaffolds have been inspected by an authorized and qualified person prior to the work shift and after any occurrence which could affect their structural integrity.
 - The scaffolds are erected on solid footing. (Unstable objects, such as barrels, boxes, loose bricks or concrete blocks must not be used to support scaffolds.)
 - The scaffolds are sound, rigid, and sufficient to carry their own weight plus four times the maximum intended load without settling or displacement.
 - Scaffold platforms are tightly planked with scaffold plank grade material, creating a work area at least 18” wide. A platform must not deflect more than 1/60 of the span when loaded.
- When scaffold platforms are more than 24” above the point of access, an appropriate stairway, ramp, or ladder must be supplied. Cross braces are prohibited as a means of access.
- When scaffold platforms are above 6’, an appropriate fall protection system must be supplied.
- When there is a danger of tools, materials, or equipment falling from a scaffold and striking workers below, the area below to which objects can fall shall be barricaded to prevent worker entry. Alternatively, install toeboards, guardrails, nets, or deflectors to provide protection from falling objects.

(J) FIRE PROTECTION

- Be alert to fire hazards and take action to ensure that these hazards are eliminated. Fire is the primary threat to the existence of the SMCo headquarters (due to our materials storage, woodworking shop, and high traffic). Fire poses a similar threat on our project sites.
- Locate firefighting equipment so that it is conspicuous and readily accessible at all times. At least one fire extinguisher should be located on each floor of each building. Travel distance from any point of the protected area to the nearest fire extinguisher must not exceed 100’. Keep all fire extinguishers in designated and clearly marked locations when they are not being used.
- Always maintain clear access to fire extinguishers, fire alarms, circuit panels, gas shutoffs, and exits. Do not store materials or equipment in front of this equipment.
- If you see a fire extinguisher that is not fully charged, or any other firefighting equipment that is not in operable condition, notify your Project Lead immediately so the problem can be corrected.

Trash & Debris

- Keep all project sites and work areas clean of trash and debris.
- Do not place combustible trash (like rags, cardboard, and small pieces of wood) in cardboard cartons, wooden crates, or other flammable containers.
- Place combustible trash only in containers constructed of metal. Dispose of cigarettes, matches, and similar sources of ignition in separate containers constructed of metal.
- Place outdoor receptacles for combustible trash at least 15’ from the building and other combustible materials, and keep water in the bottom.

Flammable & Combustible Liquids

- Store flammable and combustible liquids:
 - Only in areas free from weeds, debris, and other combustible materials.
 - Only in containers approved for such purpose.

- Only in clearly labeled containers.
- Do not store more than 25 gallons of flammable or combustible liquids indoors.
- Close all containers when not in use.
- Do not smoke or use open flames in areas where flammable and combustible liquids are used or stored.
- Use flammable and combustible liquids only in small quantities.
- Do not use gasoline as a cleaner or solvent.
- Use only proper transfer equipment when transferring a flammable liquid such as gasoline for refueling.
- Do not refuel a hot or running engine. Clean up spills before restarting.

Welding, Cutting & Burning

- When welding or doing other “hot work”, take proper precautions for fire prevention, including: isolate the work area, remove fire hazards from the vicinity, and provide a fire watch.
- Do not weld, cut, or heat where the application of flammable paints or the presence of other flammable compounds or heavy dust concentrations create a fire hazard.

(K) HAZARDOUS MATERIALS

- Material Safety Data Sheets (MSDS) for hazardous materials used by the company are available on the SMC Co Smartsheet SAFETY page.
- Be familiar with characteristics of the hazardous materials in use on your project site. Refer to the MSDS as necessary.
- Ensure that all hazardous materials on the project site (thinners, fuel, powder cartridges, poisons, acids, adhesives, solvents, flammable liquids, etc.) are stored and labeled properly to protect from accidental exposure, fire, explosion, or spillage.
- Store all hazardous materials separately from all other substances. (See above: Fire Protection / Flammable & Combustible Liquids.)

- If you find any of the following hazardous materials on a job site, notify your Project Lead immediately. Only authorized and qualified employees are permitted to handle or remove these materials:
 - Asbestos
 - Lead (including lead paint)
 - Explosives
 - Radioactive materials
- Dispose of hazardous waste properly. Do not dump hazardous waste in drains, sewers, dumpsters, or onto the ground. If you do not know the proper disposal method, consult with your Project Lead or the Director of Production.

(L) GAS CYLINDERS & COMPRESSED GASES

- Ensure that all pressure regulators, gauges, valves, and connectors are of the correct type for the gas and in proper working order while in use.
- Do not exceed the manufacturer’s safe operating pressure for all fittings.
- Secure all hoses in a positive manner to prevent accidental disconnection.
- Inspect and maintain safety clips and retainers on pneumatic impact tools to prevent attachments from being accidentally expelled.
- If a hose exceeds 1/2” inside diameter, ensure that a safety device is installed at the source of supply or branch line to reduce pressure in case of hose failure.
- Always assume that a cylinder is pressurized.
- Handle cylinders carefully. Do not throw, bang, tilt, drag, roll, or drop a cylinder.
- Secure cylinders in an upright position at all times, except if necessary for short periods of time when cylinders are being hoisted or carried.
- When moving or storing cylinders, ensure that valves are closed and that valve protection caps are secured in place.
- Keep all ignition sources, (e.g., welding torches, lit cigarettes, electric arcs, electrostatic charges, and pilot lights) away from flammable gases at all times.

- Keep cylinders far enough away from welding and cutting operations so that sparks, hot slag, or flame will not reach them.
- Do not use a flame to detect flammable gas leaks. Use soapy water or other approved methods.
- Do not transfer compressed gases between cylinders.
- Do not use cylinders for any purpose other than as a source of gas.
- Always close cylinder valves when work is finished.
- When shutting down a system, close the cylinder valves and then vent the pressure from the entire system. Do not leave pressure in a system that is not being used.
- When using compressed air for dusting or cleaning clothing, wear appropriate eye protection to prevent particles from blowing into your eye.

(M) EXCAVATING & TRENCHING

- All excavations must be inspected for cave-in potential by a competent and authorized employee (a) on a daily basis prior to any entry, and (b) after any hazard-increasing event such as a rainstorm, vibrations, or excessive spoil loads.
- Do not enter an excavation until a competent and authorized employee has conducted the daily inspection and approved entry.
- Do not enter an excavation greater than 5' in depth unless it is protected from cave-in by an approved method of sloping walls, shoring walls, and/or shielding workers. For excavations greater than 20' in depth, the cave-in protection system must be designed by a registered engineer.
- Do not enter an excavation when digging equipment is in use.
- If any potential for cave-in develops, stop work immediately and exit the excavation. Fix the problem before work starts again.
- Before excavating, call Dig Safe and determine the location of underground utilities such as sewer, telephone, fuel, electric, and water lines.

- Install a stairway, ladder, ramp, or other safe means of egress in excavations that are 4' or more in depth so as to require no more than 25' of lateral travel for workers.
- Keep all materials, equipment, and excavated spoils at least 2' from the edge of excavations.
- After foundation walls are constructed, be alert to the potential for cave-ins in the area between the excavation wall and the foundation wall.

(N) CONFINED SPACES

- Be alert to any potential need to work in a confined space. Confined spaces are work areas that have limited means for entry or exit, such as: crawlspaces, storage tanks, bins, ventilation or exhaust ducts, sewers, underground utility vaults, tunnels, pipelines, and open top spaces more than 4' deep such as pits, tubs, vaults, and vessels. Confined spaces present risks of insufficient oxygen, contaminated air, difficult exit in the event of an emergency, and difficult access to a disabled employee.
- Do not work in a confined space until you have been instructed about:
 - The hazards involved
 - The precautions to be taken
 - The use of required protective and emergency equipment

(O) DEMOLITION

- Do not proceed with the demolition of any structure until a competent and authorized person has made a survey of the structure to determine the condition of the framing, floors, walls, electrical system, and the possibility of unplanned collapse of any portion of the structure.
- During balling or claiming operations, do not work in the demolition area unless your work is necessary for the performance of these operations.

(P) FALLING OBJECT PROTECTION

- Always wear a hardhat when you are exposed to falling objects. If exposure is significant, consult with your Project Lead to determine the need for a screen, canopy, barricade, or other protective system.
- Always wear a hardhat when overhead work (such as framing, roofing, sheathing, stonework, masonry, and siding) is ongoing.
- Do not work directly below other workers. Coordinate work to prevent any worker working directly below another worker.
- Secure all tools and parts to prevent them from falling on workers below.
- Install toeboards to prevent objects falling from elevated surfaces, or through floor holes, onto workers below.
- Stack and secure all materials to prevent sliding, falling, or collapse onto lower levels.
- When working with cranes and other hoisting devices, inspect all components (such as wire ropes, lifting hooks, and chains) to ensure that they are in good condition.
- Do not work underneath loads being moved by cranes, boom forklifts, or delivery trucks.

(Q) CONCRETE & MASONRY CONSTRUCTION

- Prior to the construction of a masonry wall, construct a limited access zone that:
 - Is established on the side of the wall that will be unscaffolded
 - Is equal to the height of the wall to be constructed plus 4'
 - Runs the entire length of the wall
 - Is restricted to entry by workers actively engaged in constructing the wall
 - Remains in place until the wall is adequately supported to prevent collapse

- Do not work under concrete buckets while buckets are being elevated or lowered into position.
- Wear appropriate respiratory protection equipment (such as a dust mask or a NIOSH-certified respirator) when there is a risk of exposure to materials, dust, or vapors that could cause respiratory injury. Take particular care when exposed to dust resulting from cutting of concrete, stone, or masonry.

(R) FORKLIFTS, CRANES & HEAVY EQUIPMENT

- Do not operate any forklift, crane, aerial lift, or similar hoisting, lifting, or heavy equipment unless you have received formal training (and, for certain equipment, certification) and are approved by SMCo to operate the particular equipment.
- Do not operate such equipment until a competent person has conducted a safety inspection of the equipment during the current work shift. If the equipment is in need of repair, do not operate it until repairs have been made.
- Secure all vehicle loads properly.
- Do not disconnect back-up alarms on vehicles that have them installed.
- Use spotters when heavy equipment must be moved.
- When loading, unloading, or otherwise working in conjunction with operators of such equipment:
 - Do not ride on the equipment in any way not designated by the manufacturer.
 - Do not stand or work in any location where the equipment poses a crushing hazard.
 - Do not stand, pass, or work under the empty or loaded elevated portion of any equipment, unless it has been blocked effectively to prevent it from falling.
 - Do not load equipment in excess of its rated capacity.
 - Be prepared to alert the operator of any unexpected hazards, overhead power lines, and potential obstructions.

(S) MOVING & LIFTING

- When moving:
 - Configure machines, work stations, and tasks to avoid sustained activity in awkward positions (such as bending, crouching, leaning, twisting, and reaching overhead).
 - Take breaks to avoid repetitive physical motion.
 - If you work at a desk, avoid sustained sitting with poor posture.
- When lifting:
 - Do not attempt to lift or push objects that may be too heavy for you. Use a material-handling device when possible. Get help from a coworker when you need it.
 - Before lifting, always test the load for stability and weight.
 - When working at heights or on uneven surfaces, exercise extreme caution and assess the safest option before moving a heavy object.
 - Lift properly to avoid strains: bend your knees, keep your body erect, then push up with your legs. Keep the load as close to your body as possible. Do not twist your torso while lifting.
 - Pace yourself to avoid fatigue.

(T) EXTREME TEMPERATURES

- Monitor your exposure to extreme temperatures. Thresholds vary from person to person regarding tolerance of heat and cold. Consequently, the risk of illness and injury also varies from person to person. Although Project Leads are instructed to monitor workplace temperatures for safety, you must remain alert to your particular needs.
- Be alert for the symptoms of cold-related and heat-related stress (frostbite, heat stroke, etc.). Watch for these symptoms in yourself and co-workers. Report such symptoms to your supervisor immediately.

- When temperature extremes exist, give greater allowances to yourself and others. For example, increase rest times and postpone tasks which are not urgent.
- Make use of provided shading and heaters to take breaks in extreme conditions.
- Monitor your hydration and drink water before you are thirsty. All project sites are provided with drinking water,

(U) STORMS

- When a major storm is expected, conduct the tasks specified on the relevant checklists located on the SMCo Smartsheet SAFETY page.

(V) EMERGENCY PROCEDURES

Injury

- Call 911, go to the emergency room, or provide first aid.

Fire

- Call 911 (unless the fire can safely and immediately be extinguished with a fire extinguisher).
- Evacuate the work area. Do not re-enter until notified by the fire department.
- Conduct a head count to confirm that all workers are accounted for.

Hazardous Materials Event

- If a hazardous material is accidentally released and can potentially cause harm, evacuate the area immediately.
- Call 911 from a safe location.
- Do not attempt to clean up or control the release of a hazardous material. SMCo retains the services of Clean Harbors to handle hazardous materials events. See Emergency Contacts on the SMCo Smartsheet SAFETY page.

Motor Vehicle Accident

- In the event of injury or hazard, call 911.
- Call and wait for the police.
- If possible, take pictures of damage and the accident scene.
- If another vehicle is involved, get the driver's license number, contact info, plate number, vehicle description, VIN, and insurance company info.

Reporting

- In the event of *any work-related* accident, injury, near miss of an injury, or illness, immediately notify your supervisor, the Director of Production (Newell), and the Director of Finance and Administration (Siobhán). Additionally, as soon as possible, coordinate with the Production Administrator (Rachel) to complete the appropriate SMCo report.

Administration

(A) ASSIGNMENT OF RESPONSIBILITIES

Safety Committee

The Safety Committee shall be responsible to oversee administration and enforcement of SMCo's occupational health and safety program.

Leadership Team (LT)

LT shall be responsible to share in the enforcement of all occupational health and safety policies, rules, and procedures, as specified in the "Failure to Observe Policies" section of this manual.

Director of Production

The Director of Production shall be SMCo's occupational health and safety officer and shall be responsible to perform, or delegate the performance of, the following:

- Develop and administer the company's occupational health and safety program.
- Annually review the *SMCo Occupational Health & Safety Manual*, and revise as necessary.
- Develop and administer an ongoing occupational health and safety training program for all employees.
- Conduct quarterly safety meetings. The purpose of these meetings is to review injury and near-miss reports and statistics, review safety inspection reports, review safety procedures, and provide guidance on how best to provide a safe work environment.
- Conduct frequent and regular safety inspections of all project sites (including work procedures, ergonomic hazards, work areas, storage areas, and the storage, labeling and disposal of hazardous materials).

- Conduct frequent and regular safety inspections of all equipment, including: power tools, power equipment, company-owned vehicles, and office electrical equipment. Maintain a log of all equipment, including inspection schedules, and service dates.
- Conduct periodic inspections when new substances, processes, procedures or equipment are introduced that present new potential hazards.
- Assess each work area or operation and determine the need for personal protective equipment.
- Select, purchase, issue, monitor, and maintain all personal protective equipment.
- Maintain a current inventory of hazardous chemicals used by the company and a file of all corresponding Material Safety Data Sheets (MSDS). Maintain a system to make all this information readily available to employees.
- Ensure that all trade partners working on SMCo project sites receive a safety orientation. The purpose of this orientation is to ensure that all workers on each project site are following the same safety procedures.
- Monitor employee compliance with the "Health and Safety Rules" described in this manual.
- Conduct a prompt investigation of every accident. Determine the cause of the accident and take measures necessary to prevent any recurrence.
- Maintain a recordkeeping and reporting system that meets all OSHA requirements. At minimum, this system must include: safety inspection reports, injury and near-miss reports (including related medical records), training records, and safety meeting minutes.
- Monitor company compliance with all applicable federal, state, and local safety regulations. Keep abreast of changes to regulations.
- Periodically report to LT on performance of the above responsibilities.

Project Leads

Project Leads shall be responsible to:

- Ensure the occupational health and safety of all employees under their management.
- Plan for occupational health and safety in every aspect of an operation. Anticipate, mitigate, or eliminate all accident-producing situations.
- Provide employees with necessary personal protective equipment (PPE) and instructions for its proper use and care.
- Conduct a daily occupational health and safety inspection of their project site, including, but not limited to:
 - Potential hazards (materials, equipment, procedures, falling, weather, etc.)
 - Warning signs, barriers, and other hazard indicators
 - Site organization, cleanliness, and tidiness
 - Hazardous materials storage and labeling
 - First aid kit
 - Fire extinguishers
 - Scaffolding, guardrails, temporary stairs, ladders
 - Trenches or holes
 - Personal protective equipment
 - Guards on machines and equipment
 - Forklifts, hoisting, and lifting equipment
- Correct all unsafe work conditions and work habits immediately upon discovery.
- Conduct weekly safety meetings with their crew. The purpose of these meetings shall be to encourage safety awareness, motivate observance of proper practices, encourage reporting and discussion of job hazards, and introduce new safety procedures.
- Ensure that all trade partners on the project site are advised of hazardous materials present, and ensure that all trade partners report hazardous materials that they are bringing onto the project site.
- Investigate all accidents and near-misses immediately. In the event of *any work-related* accident, injury, near miss of an injury, or illness, immediately notify your supervisor, the Director of Production (Newell), and the Director of Finance and Administration (Siobhán). Additionally, as soon as possible, coordinate with the Production Administrator (Rachel) to complete the appropriate SMC Co report.
- Monitor employee compliance with the “Health and Safety Rules” described in this manual.
- Ensure that the project site is properly protected against fire:
 - Assess the need for firefighting equipment, and ensure that sufficient equipment is available to effectively meet all fire hazards as they occur.
 - Locate firefighting equipment so that it is conspicuous and readily accessible at all times. At least one fire extinguisher should be located on each floor of each building. Travel distance from any point of the protected area to the nearest fire extinguisher must not exceed 100’.
 - Periodically inspect firefighting equipment and maintain it in good operating condition.
 - If you must remove a fire extinguisher from its location for service, replace it with a spare extinguisher during the period of service.
- Ensure that the project site is provided with required sanitation facilities:
 - An adequate supply of drinking water. Drinking water containers must be capable of being tightly closed and equipped with a tap. Use of a common drinking cup is prohibited.
 - One toilet per 20 persons, unless employees have transportation readily available to nearby toilet facilities.
 - Adequate washing facilities for employees engaged in operations involving harmful substances.

Employees

Employees shall be responsible to:

- Be fully familiar with the “Health and Safety Rules” described in this manual and observe them at all times.
- Speak up about safety issues we need to be aware of and/or attend to. “If you see something, say something.”
- In the event of *any work-related* accident, injury, near miss of an injury, or illness, immediately notify your supervisor, the Director of Production (Newell), and the Director of Finance and Administration (Siobhán). Additionally, as soon as possible, coordinate with the Production Administrator (Rachel) to complete the appropriate SMCo report.
- Participate in all required safety meetings and training programs.
- Ask questions whenever a safety rule or training instruction is not fully understood.

(B) LEGAL OBLIGATIONS

Generally

The *South Mountain Company Occupational Health & Safety Manual* is designed primarily to support the SMCo occupational health and safety policy. It is also designed to help SMCo meet its legal obligations under the Federal Occupational Safety and Health Act and related safety regulations. Since this manual cannot address all the laws and regulations which might apply, our goal is to balance legal requirements with recognized occupational health and safety procedures and common sense. Many provisions in this manual are required by law. This section includes additional obligations that deserve special attention.

OSHA Site Inspections

The US Occupational Safety & Health Administration (OSHA) is legally permitted to conduct onsite inspections of worksites to enforce OSHA laws. According to OSHA, inspections are initiated without advance notice and are

conducted using onsite or telephone and fax investigations. In the event of an OSHA site inspection, SMCo policy is as follows:

- The Project Lead must:
 - Instruct all employees to cease work and leave the working area, but remain on the project site.
 - Confirm the inspector’s credentials.
 - Notify the Director of Production or CEO immediately.
 - Record as much information as possible relevant to the inspector’s visit (photographs, videos, notes, etc.)
 - If a violation can easily be fixed while the inspector is present, do so.
- The Director of Production or CEO must:
 - Notify all SMCo Project Leads immediately.
 - Proceed to the project site to serve as the formal representative of the company.
 - Bring a camera, notepad, and pen to the project site.
 - Record as much information as possible relevant to the inspector’s visit.
- Employees at the project site must:
 - Cease work and leave the working area, but remain on the project site.
 - Be prepared for the OSHA inspector to ask questions. (You are free to speak with the OSHA inspector during an inspection. You also have the right to decline to be interviewed.)

Project Site Requirements

The following facilities are required at all work sites:

- An adequate supply of drinking water.
- One toilet per 20 persons.
- Adequate washing facilities for employees engaged in operations involving harmful substances.

- Readily available first aid supplies.
- Fire extinguishers.

Hazardous Materials Requirements

- Employer is required to provide employees with:
 - Information and training on hazardous chemicals in their work area.
 - Proper notice whenever a new hazard is introduced into their work area.
 - The location and availability of the required list of hazardous chemicals, and Material Safety Data Sheets (MSDS).
- Employer is required to communicate hazard information to trade partners and other non-employees working on the project site.
- Employer is required to ensure that each container of hazardous chemicals in the workplace is marked with the identity of the hazardous chemical(s) contained therein and with general information regarding the hazards of the chemical.

Personal Protective Equipment Requirements

- Employer is required to provide employees with appropriate personal protective equipment for tasks that require it.
- Employer is responsible for requiring employees to wear appropriate personal protective equipment in all operations where there is an exposure to hazardous conditions.

OSHA Poster Requirement

- The law requires that employees be informed of the protections provided under the Occupational Safety and Health Act. All employers must post and maintain in a conspicuous place of major travel copies at each establishment of the OSHA Notice “Job Safety and Health”.

Recordkeeping Requirements

- See current OSHA requirements at <www.osha.gov/recordkeeping>.
- The following basic OSHA records must be maintained:

- OSHA Form 300 (Log of Work-Related Injuries and Illnesses)
- OSHA Form 300A (Summary of Work-Related Injuries and Illnesses)
- OSHA Form 301 (Injury and Illness Incident Report)

- Form 300A must be posted in the workplace every year from February 1 to April 30.
- Current and former employees, or their representatives, have the right to access injury and illness records. Employers must give the requester a copy of the relevant record(s) by the end of the next business day.
- OSHA Forms 300, 300A, and 301 must be retained by the company for 5 years following the end of the year to which they relate.
- Employee medical and exposure records must be retained by the company for the duration of employment plus an additional 30 years.
- The Director of Production must ensure that the following records are created and retained:
 - All OSHA reports
 - Safety inspection reports
 - Project site inspection reports
 - List of all equipment in use (including inspection schedules and service dates)
 - Equipment inspection reports
 - Accident reports (including initial reports and investigation reports)
 - Employee safety rule violation reports
 - Training records
 - Employee Acknowledgement of Receipt of Safety Manual
 - Safety Training Event reports
 - Safety meeting minutes
 - Reference materials
 - Tool and equipment manuals

- Material Safety Data Sheets (MSDS)
- Medical & Exposure Records

Reporting Requirements

- See current OSHA requirements at <www.osha.gov/recordkeeping>.
- Employer is required to notify OSHA when an employee is killed on the job or suffers a work-related hospitalization, amputation, or loss of an eye. A fatality must be reported within 8 hours. An in-patient hospitalization, amputation, or eye loss must be reported within 24 hours.
 - OSHA national toll free number: 800-321-OSHA (6742)
 - OSHA regional office in Boston: 617-565-9860
- General requirements for recording incidents:
 - Employer must record all work-related fatalities.
 - Employer must record all work-related injuries and illnesses that result in days away from work, restricted work or transfer to another job, loss of consciousness or medical treatment beyond first aid.
 - Employer must record significant work-related injuries or illnesses diagnosed by a physician or other licensed health care professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.
 - Injuries include cases such as, but not limited to, a cut, fracture, sprain, or amputation.
 - Illnesses include both acute and chronic illnesses, such as, but not limited to, a skin disease (i.e. contact dermatitis), respiratory disorder (i.e. occupational asthma, pneumoconiosis), or poisoning (i.e. lead poisoning, solvent intoxication).
 - Work-related injuries, illnesses and fatalities are those in which an event or exposure in the work environment either caused or contributed to the condition. In addition, if an event or exposure in the work environment significantly aggravated a pre-existing injury or illness, this is also considered work-related.

Training

Training in occupational health and safety is not a one-time event. Rather, it is a periodic and ongoing process intended to keep all employees actively alert to how we can protect our health and safety.

(A) TRAINING MODULES

- Each training module will specify:
 - Content outline
 - Intended Trainee(s)
 - Intended Trainer(s)
 - Frequency
- All new employees, upon hiring, will receive training in:
 - SMCo “Health and Safety Rules” (in entirety)
 - Safe operation of specialized tools and equipment
- All employees will receive periodic in-service training in:
 - SMCo “Health and Safety Rules” (in parts)
 - Safe operation of specialized tools and equipment
 - Safe use of specific hazardous materials
 - First aid and CPR
 - Lockout-Tagout procedures
- All Project Leads will receive periodic in-service training in:
 - Conducting routine occupational health and safety meetings and encouraging employees and trade partners to develop safe work practices
 - Conducting routine occupational health and safety inspections

- Conducting accident investigations
- Lockout-Tagout procedures
- Confined Space procedures
- Managing personal protective equipment
- Managing emergencies
- Recordkeeping requirements

(B) TRAINING ADMINISTRATION

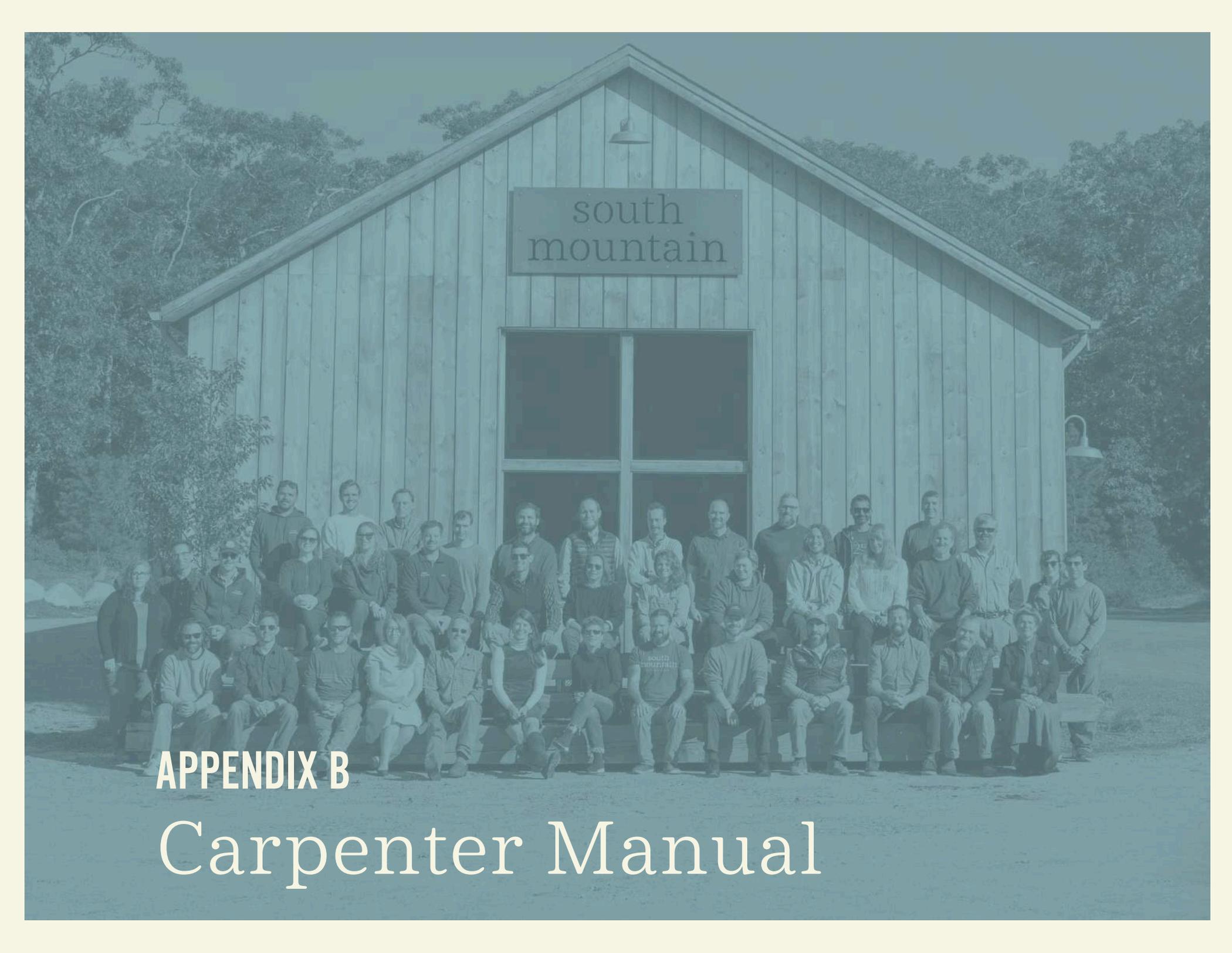
- Training reports must include: training dates, training location, training topics, trainer names and signatures, trainee names and signatures.
- Training report copies go to:
 - Individual employee file
 - Director of Production's safety file

Failure to Observe Policies

If LT determines that an employee has failed to observe any policies in the *South Mountain Company Occupational Health & Safety Manual*, LT will review the matter and decide an appropriate response, including any need for corrective action up to and including termination of employment.

Forms, Resources & Contacts

All safety forms, resources, and emergency contacts are available on the SMC Co Smartsheet SAFETY page

A group of approximately 40 people, including men and women of various ages, are posed in front of a large, light-colored wooden building with a gabled roof. The building has a sign that reads "south mountain" above a large window. The people are arranged in several rows, some sitting on a wooden bench in front of the building. The background shows trees and a clear sky. The entire image has a blue tint.

south
mountain

APPENDIX B

Carpenter Manual

Contents

*All SMCo carpenters
are responsible for understanding
this Carpenter Manual.*

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Types of Carpenters

There are four types of SMCo carpenters: Apprentice Carpenters, Carpenters, Assistant Project Leads, and Project Leads. Each is described below. Later in the manual we detail what each needs to be able to do.

(A) APPRENTICE CARPENTER

An Apprentice Carpenter is new to the field, learning to be a Carpenter. From the beginning, an Apprentice needs to have a basic understanding of processes that are encountered daily on the job. These include but are not limited to:

- Set up and wrap up
- Keeping work areas tidy
- Proper material storage
- How to keep busy productively

An Apprentice Carpenter works with a Carpenter or Project Lead who teaches them about the task being performed, how we do it, and why we do it that way. Over the course of a job, the Apprentice Carpenter will be given unsupervised opportunities to perform work that they have become familiar with. This work is assessed by the Project Lead and discussed with the Apprentice. It is assumed that in two to four years an Apprentice Carpenter will become a Carpenter.

(B) CARPENTER

A Carpenter is skilled craftsman who is able to do all aspects of rough and finish carpentry. A Carpenter is expected to be a reliable, capable, and supportive member of a crew.

(C) ASSISTANT PROJECT LEAD

An Assistant Project Lead does everything that a Carpenter does, but is expected to have a better understanding of the project and the work of the various trades. An Assistant Project Lead is expected to help the Project Lead run the job and is in charge when the Project Lead is absent.

(D) PROJECT LEAD

A Project Lead runs a project in collaboration with the Project Architect. A Project Lead is responsible for the people working on the site and their safety, the condition of the site itself, and the production of the required work. A Project Lead also has some office responsibilities – they help with planning, design, estimating, and scheduling.

General Expectations & Conventions

All SMCo employees are responsible for the *Shared Expectations & Practices* described in the main body of these Operating Policies. Additionally, for all SMCo carpenters, here are some important daily considerations.

- **Safety comes first.** We continually work to upgrade our practices. If you feel unsafe, it is likely others do as well, so say something! Don't be shy. There is always more than one way from point A to B. Even if it takes longer, we must stay safe. For details on our current practices, please read the *South Mountain Company Occupational Health & Safety Manual* (see Appendix A).
- **Reliability.** SMCo generally allows employees some measure of personal flexibility in the work schedule, but in the field the most important daily driver of productivity is the crew as a unit. Work is not just an annual hours obligation, but a daily obligation. As a member of a crew, there is an important obligation to be on the job at the proper time with the proper tools. Hours are set by each Project Lead for their crew. If it is not possible to be there, or if you will be late, it is essential to notify the Project Lead as much in advance as possible. If you need to be late or depart early, communication is key. It's your responsibility.
- **The Crew.** As mentioned, overall crew function is the key to production and is an essential part of daily work as well as smooth and profitable job flow. Crew participation is about sharing equally in all the daily activities. Occasionally, schedule dictates extra effort and all are expected to share this, even when it may not be convenient.
- **Big Picture Awareness.** Every job has myriad technical, aesthetic, financial, and schedule goals, with a lot of thinking behind them. Much of this is contained in the plans, specs, schedules, and estimates available on site and on Smartsheet. Study of these will aid in your work and your professional development.
- **Methods.** While we strive for uniform results, there may be multiple ways to get there. Go with the flow, be aware, and learn from your surroundings – we don't reinvent things every job, just sometimes.
- **Cleanliness.** Wear the dirtiest clothes you want, but keep a sharp eye on the tidiness of the project site. Our project sites reflect the care we put into our work and a clean one will also contribute to safe and efficient daily operation. If there is a spare moment when you are not sure what to do next, clean up for a bit.
- **Good Communication** is essential to the function of our company. If you see something, speak up. Your voice is welcomed and important. Do we need nails on the job? Are we forgetting something? Tell your Project Lead.
- **Good Work** means steady, deliberate forward progress. Try to anticipate the next step and the next. Try to internalize South Mountain methods; whatever you're doing, you are likely to be doing it again! Next time you can do it better and probably faster. Be aware and focused on the job. If you are idle, get materials ready, or get something for a coworker, or clean up. Nothing wrecks job flow faster than loafing and chatting with someone who was previously working productively. And then there's the cell phone!
- **Cell Phones.** These days the phone is ubiquitous, but it shouldn't be visible around the project site except at break or lunch. Much of our design/build communication relies on these phones, but unless your communication is job-related please save it for your own time.
- **Parking.** Please consider where you park at the project site. Do you need to unload heavy things? Might others? Will you be in the way of deliveries, machinery, or workflow throughout the day? We work on many tight project sites and parking is often an issue, particularly once trade partners join us at different parts of the job. Carpooling and biking are optional and encouraged, but if you drive, please be sure to park courteously (most likely that means not right in front).
- **Material from Suppliers** is most economical if delivered to the project site. If the crew works together to remember what might be needed when

the Project Lead orders, costly individual trips can be minimized. As always, thinking ahead is the key.

- **Side Jobs / Outside Employment.** We have very specific policies about side jobs. It is your responsibility to fully understand them and abide by them. In the main body of these Operating Policies, see *Shared Expectations & Practices/Operations/Outside Employment*.
- **Administration.** Administration and management staff work very hard on your behalf to make sure the office runs smoothly – wages, health insurance, benefits, communication, and countless other things that are important to your welfare. When they ask you to do something, or produce some paperwork, or whatever else, it's important to make it a priority. Get it done. Now would be good. Be sure to check your SMC Co digital communication platforms daily during the work week.
- **Successful Jobs** are those that come in on schedule and budget, showing exemplary craft. The best jobs are those where we learn new things and surprise even ourselves with what we've accomplished.

Quality & Tolerances

As Apprentices and Carpenters progress, they are exposed to more complicated elements of construction on a regular basis. Elements such as roofs (simple and compound), stairs, handrails, timber frames, and cabinetry are examples of more specialized work. Dedicated time and self-directed learning must take place outside of the workday to begin to understand the concepts (see below: *Information Resources*).

Aside from the basic skills that any carpenter must have, we expect our Carpenters to become proficient in math, especially geometry, and project site drawing techniques. These are critical tools that add efficiency to our work.

(A) LEVELS OF QUALITY

Perfection is different from quality (quality does not always imply perfection). There are appropriate levels of quality for different tasks. Profitable production hinges on the premise that we do some work more roughly in order to have the time to do other work more carefully. Mostly these decisions are made by the Project Lead, but it is useful to ask as you work and internalize these standards. Obsession with non-essential details can derail forward progress.

All that being said, sloppy work is sloppy work. Moving quickly, with less finesse, for the sake of progress is sometimes appropriate. But that's different than careless or thoughtless work. There's no place for that. Our work says a lot about who we are and how we were feeling on that particular day. Take pride in your work.

(B) TOLERANCES

Generally speaking, the tolerances for rough framing are much greater than they are for trim and finish, but there is no reason why joists, studs, jacks, headers, legs, cripples, and rafters should not all be the same relative length within 1/16".

Inevitably, even when all framing is cut well, there will still be slight discrepancies in overall lengths and widths, square, etc. This is the nature of the work.

On the job, clear communication during framing assembly usually works to alleviate any misinterpretations of tolerances. For example, if we are framing a roof, the carpenter at the ridge will talk to the carpenter on the plate. When the carpenter on the plate has the seat cut nice, they will say so. It will be obvious if the rafter is too long, short, or just right at this time, and any discrepancies will be assessed as a group.

Tolerances during trim and finish work, interior and exterior, should be small. All finish work should be impeccable.

Information Resources

Basic learning and ongoing learning are essential parts of the job of a carpenter. We encourage training opportunities.

We also believe there is essential information that you should be exposed to. During the first year that you are here, we suggest you work with the following:

- [Why We Build Superinsulated Buildings](#), by Marc Rosenbaum
- [Carpentry Apprenticeship Manual](#), Parts 1-12 (Basic Carpentry)
- [From the Ground Up](#), by John Cole and Charlie Wing
- [Dwelling House Construction](#), by Albert Dietz
- [House Carpentry Simplified](#), by Nelson Burbank
- [Carpentry](#), by Leonard Koel
- [Carpentry and Building Construction](#), by John Feirer and Gilbert Hutchings

All of these books are in our library. The most effective way to learn carpentry from books is to read about what you expect to be doing in the coming days and weeks. Different books treat things in different ways. Sometimes it's good to read from several. Say you're about to frame a floor. See what several of the books above have to say about framing a floor.

Additionally, JLC online offers some instructional videos. Some videos can also be found on YouTube, but the quality varies greatly.

Time spent studying is paid time. Put it on your time sheet. Please use that time efficiently.

Tools

Tools You Need. At the end of this manual is a list of hand and power tools that we recommend for all carpenters. There are three categories: essential, recommended, and optional. Until you are fully equipped with all the essential and recommended tools, your tool allowance should be devoted to purchasing those tools.

Protocol. Within any given day or week, tools are often shared, swapped, borrowed, etc. We are quite flexible about this, but please make sure that you are prepared for work and generally have all the tools you are expected to have and are likewise willing to share. When picking up at the end of the day, it is considered poor form to pack up your personal tools before the crew tools are put away.

Tool Ordering, Part Ordering, and Sending Tools for Repair are services provided by SMCo Production Support. *For tool repairs:* Find a box that the tool will fit into, but do not seal the box. Communicate what is wrong with the tool by contacting Peg, either in person or with a note. Leave the box and the tool at Peg's desk. Include the battery if this is a cordless tool. SMCo will pay for tool repairs. *For tool parts:* Send Peg a picture of the serial number tag on the tool, and communicate which part needs to be ordered.

Maintenance. It is your responsibility to keep all tools sharp and in good working condition at all times.

Common Carpentry Callbacks

These are the most common reasons for callbacks, so they should always get considerable attention. It is particularly important for carpenters to learn to handle these things skillfully.

- Doors, especially exterior
 - Door too tight
 - Poor strike-catch alignment
 - Mortise locksets
- Screen doors
- Cabinet doors and drawers
- Leaks (usually flashing, plumbing vents, etc.)
- Crawl space mold and rot
- Window and window trim rot
- Deck board rot
- Fogged insulating glass
- Casement window function

Field Skills & Knowledge

Here are the basics that you need to understand and be able to do in each of the following field positions. We anticipate that an Apprentice will have a two to four year learning timeframe before becoming a Carpenter. A Carpenter may be designated as an Assistant Lead, and eventually a Lead, after demonstrating the additional skills and knowledge described below.

Carpenter	
1. Set up transit, shoot grades and % of slope	26. Basic timber framing
2. Lay out foundations	27. Install exterior doors
3. Install piers	28. Install windows
4. Build and set up batter boards	29. Install bulkhead doors
5. Insulate a foundation	30. Install skylights
6. Frame floors	31. Hang screen doors
7. Frame walls	32. Prep for blower door test
8. Frame a simple gable roof	33. Flashing and air sealing methods
9. Frame hips and valleys	34. Install strapping
10. Plumb and straighten a building	35. Install appropriate blocking
11. Build a rough stair	36. Build a finish exterior stair
12. Set up appropriate staging for different tasks	37. Interior trim windows
13. Install temporary fall protection guardrails	38. Interior baseboard
14. Apply sheathing	39. Install interior doors
15. Apply rigid foam	40. Install interior door hardware
16. Apply exterior running trim	41. Install cabinets
17. Exterior trim windows and doors	42. Install appliances
18. Prep for roofing	43. Basic forklift operation and management
19. Prep for gutters	44. Sharpen and maintain tools
20. Prep for siding	45. Shop orientation and basic skills
21. Install rainscreen	46. Read plans
22. Frame decks	47. Understand basic geometry
23. Install decking	48. Understand nominal & actual lumber sizes
24. Install porch ceilings	49. Calculate board footage
25. Assemble screened porch frames	50. Use a variety of mobile, cloud-based communication tools
	51. Think ahead
	52. Know when to ask for help

Assistant Project Lead	
1. Everything that a Carpenter needs to know how to do (see list above)	9. Exercise thoughtfulness and care in conversations with clients and subs
2. Build a finish stairway	10. Assist Project Lead with identification of crew strengths and how and where to use each crew member
3. Understand complex roof geometry, including how to construct a roof with unequal pitches	11. Excellence and consistency in communication with Project Lead
4. Schedule and coordinate work of trade partners	12. Working knowledge of mechanical and electrical systems
5. Handle all aspects of running a job in Project Lead's absence	13. Knowledge of building code by acquiring construction supervisor's license or working diligently toward that end
6. Assist Project Lead with proper planning for materials with long lead times	14. Use web-based project management and collaboration tools to access and document project details
7. Understand coordination with design team and trade partners for product delivery	15. Demonstrate leadership and relation-building skills
8. Know when to make judgment calls and when to seek counsel from Project Lead	

Project Lead	
1. Everything that an Assistant Project Lead needs to know how to do (see list above)	12. Judgment and decision making – looking at costs and benefits of decisions to choose the right path
2. Create and manage job schedules	13. Systems – having a strong working knowledge of all building systems (i.e. plumbing, heating, HVAC, excavation, electrical, and solar PV)
3. Materials take-offs	14. Quality Control – having ability to be responsible for quality control on the job
4. Estimate labor	15. Flexibility – understanding of job ebbs and flows, ability to roll with the punches
5. Awareness of budget as job progresses	16. Negotiation – ability to reconcile differences and bring others together to make job flow
6. Excel facility	
7. Smartsheet facility	
8. Team-building skills	
9. Leadership and relationship-building skills	
10. Teaching skills	
11. Complex problem solving – identifying problems and developing and implementing solutions	

Tool List

Hand Tools

Essential Hand Tools

1. Tape measure (25' 16')
2. Tool pouch (lightweight)
3. Hammer (straight claw)
4. Retractable razor knife (heavy duty straight blades, hook blades)
5. Nail sets (small, med, large)
6. Pencils
7. Large crayon
8. Caulk line (red, blue, and white)
9. Framing square (stainless steel or aluminum, with rafter tables)
10. Sliding bevel square
11. 6" Combo Square
12. Compass able to draw 12" circle
13. 4' level
14. 1" chisel
15. 2" timber chisel
16. Flat bar
17. Cats paw
18. Crow bar (gorilla bar)
19. Square nuts (stair gauge)
20. Awl
21. 4-in-1 Screwdriver
22. Large pullsaw
23. Block plane (low angle)
24. Safety glasses
25. Speed square

Recommended Hand Tools

26. Butt gauge
27. 12" Combo square
28. Steel rule (stiff, flexible)
29. Pin punch

Optional Hand Tools

30. Leather mallet
31. Roof framers bible
32. Dykes (nail pullers)
33. Vice grips (assorted sizes)
34. Allen key set (SAE, metric)
35. 2' & Torpedo levels
36. Large flat screwdriver
37. Shingle hatchet
38. Shingle rip
39. Hacksaw
40. Assorted pullsaws

41. Hook scraper
42. Rabbet plane
43. Assorted files
44. Knee pads
45. Zip tape squeegee
46. 100' Tape measure
47. Putty knife
48. Screen roller
49. Hand maul
50. Cold chisel
51. Scribes
52. Tin snips
53. Painter's bar
54. Wire brush
55. Bolt cutters
56. Slipjoint pliers
57. Large crescent wrench
58. Key hole saw
59. Brad punch

Power Tools

Essential Power Tools

60. Circular saw (7" 15amp)
61. Cordless impact driver (18 volt or higher lithium)
62. Cordless drill (18 volt or higher lithium)
63. Construction Master calculator (Trig Plus)
64. Nail gun (available on site)

Recommended Power Tools

65. Circular saw (8 1/4" or larger)
66. Cordless Circular saw (18 volt or higher lithium)
67. 4" Grinder Multitool (Feinsaw, etc.)
68. Cordless reciprocating saw (18 volt or higher lithium)
69. Laser line level
70. Laser dot level

Optional Power Tools

71. Jig saw
72. Reciprocating saw (higher the amps the more power)
73. Power plane (3 1/4", lightweight)
74. Orbital pad sander
75. Belt sander (lightweight helpful)
76. Drill
77. Router
78. Laminate trimmer
79. Power cords (25' 50' 100')
80. Pick up truck with lumber racks and tool box

A group of approximately 40 people, including men and women of various ages, are posed in front of a large, light-colored wooden building with a gabled roof. The building has a sign above the entrance that reads "south mountain". The group is arranged in several rows, with some people sitting on a wooden bench in the front. The background shows trees and a clear sky. The entire image has a blue tint.

south
mountain

APPENDIX C

Meetings & Decision-Making

Introduction

Good meetings do not happen by chance. This document outlines the key elements that we use to make meetings go well.

Good meetings are important – they empower, enliven, and inspire us. Poor meetings, by comparison, are unfocused, dysfunctional, boring, confusing, and waste our time.

Good meetings are essential to our practice – they are one of the ways we get work done, they are at the heart of our communication with each other, and they help develop and refine our culture.

Elements of a Good Meeting

Meetings are generally efficient, productive, inclusive, and satisfying when:

- Everyone has had sufficient time to review the agenda and prepare for what will be discussed
- Agreement on the “rules of the road” is confirmed before beginning
- The meeting begins with a check-in to warm up participants
- The agenda and goals of the meeting are clear to everyone
- Everyone remains focused on the task at hand
- Everyone’s input is heard and acknowledged
- Decisions are made which are agreeable to all and which do not result in a dissatisfied minority
- Everyone is clear about what has previously been decided and what is currently being decided
- Everyone is clear about necessary follow-up at the end of the meeting
- The meeting includes time to offer appreciations

The Facilitator

The facilitator leads the meeting by helping the group to clarify and move through its agenda in a clear, respectful, and timely manner. The facilitator serves as a “meeting navigator.” Typically, a facilitator:

- Develops the agenda for the meeting in consultation with all participants or representatives
- Makes sure the meeting space is in order (chairs, lighting, sound, flip charts, etc.)
- Convenes and adjourns the meeting in a timely manner
- Helps the group move through its agenda, focusing on one item at a time
- Makes suggestions to encourage an open and balanced flow of discussion
- Helps the group gain deeper understanding, by asking questions such as *What made you say that?* or *Can you say more about what you mean?* or *Thanks for that suggestion; what benefit do you think would come from doing that?*
- Intervenes when there are interruptions, distractions, or overly long comments
- Asks clarifying questions, and makes suggestions
- Listens carefully, occasionally summarizes points of agreement and points of divergence, and asks for reactions to the summary so the group can move ahead
- Assists the group through its established decision-making process
- Confidently summarizes for the group where they have arrived, and seeks confirmation by asking *Does that sound good?* or *Did I get that right?*
- Helps the group plan follow-up, clarifying who, what, when, and where
- Makes sure that the minute-taker has a record of all action items

- Relinquishes facilitator responsibilities to another when they need to contribute to the meeting content in a way that makes it difficult to be fully attentive to the meeting process.

The Meeting Participant

Every meeting participant is either a beneficial or detrimental force. No one can simply “attend” a meeting. To improve the quality of the meeting, a participant:

- Reviews all meeting materials prior to arriving at the meeting
- Arrives in time for the beginning of the meeting
- Assists the group in staying focused on its agreed agenda
- Maintains awareness of the meeting process (tone, timing, fairness, efficiency, etc.)
- Participates fully in discussion, being mindful to keep comments brief so that all have the opportunity to participate
- Is solution-centered, but is not attached to any one particular solution
- Is open to fairly examining all the pros and cons
- Listens carefully and respectfully when others are speaking, especially when others are expressing different views
- Voices concerns in a manner which invites constructive response and is respectful of the opinions of others
- Understands and fully participates in the decision-making process used by the group

The Agenda

A meeting agenda is an outline of what items will be discussed by the group and the order of discussion.

- Prior to the meeting, the facilitator develops this plan in consultation with meeting participants or representatives. This advance preparation reduces the likelihood that a meeting will get bogged down by too much work, unforeseen issues, or vague topics.
- At SMC_o, agendas are distributed to all meeting participants prior to meetings.
- When the meeting begins, the agenda is reviewed and adjusted by the participants. The group then proceeds with this roadmap, making additional adjustments as necessary.

The Minutes

Minutes are the written record of the meeting.

- They identify the name of the group meeting, when and where the meeting was held, who attended the meeting, who was absent, and the minute-taker.
- Minutes are not a transcript of everything said, but a concise summary of key points raised, decisions made, next steps, doers, and deadlines.
- Minutes should use polite and clear language, and acronyms should be avoided.
- In order to ensure accuracy, minutes are typically reviewed at the following meeting of the group, at which time corrections can be noted for the record.
- At SMC_o, minutes should be distributed to meeting participants within 24 hours of the meeting, if possible.

Decision-Making

Who makes decisions?

Our management and governance system establishes what decisions are made by whom (Owners, Board of Directors, Leadership Team, etc.).

Why do we prioritize consensus decision-making?

- In order to make good decisions – ones that are widely supported and based on the best thinking that each of us has to offer – we work to build consensus.
- Although many organizations make decisions by majority-rule, that process often squelches creative thinking and leaves a minority dissatisfied.
- Making decisions by consensus sometimes requires more effort, but we have found that the process and results are better for us as employees, and better for SMCo.

What do we mean by consensus?

- Consensus is a process of synthesizing the wisdom of all the participants into the best decision possible at the time.
- It is not necessarily unanimous agreement and, in fact, participants may consent to a decision they disagree with.
- The root of consensus is consent, which means to give permission or approval.
- Consensus is a type of accommodation where all agree to something that they feel is best for the group. It includes supporters of a position, those who don't have a strong opinion either way, and those who don't fully support the position but don't have enough of a problem with it to stand in the way.

How do we reach consensus?

The process of reaching consensus is guided by the facilitator and involves the following steps.

- Presentation: A group member presents a proposal, usually with background information.
- Discussion: The group analyzes and clarifies the information presented.
- Ideas: Ideas are offered, reconfigured, and synthesized.
- Testing: The facilitator tests for consensus. “Is there anyone who does not approve of the group proceeding in this way? Does anyone have any serious concerns regarding this suggestion?”
- Concerns: If one or more group members have outstanding concerns, the concerns are clarified and discussed. The group works to shape a creative solution that addresses these concerns, or the group might ask for a new proposal to be brought to the next meeting. As a solution emerges, the facilitator again tests for consensus.
- Consensus: When everyone consents to the proposal, the group then clarifies how the decision will be implemented (who, what, when, how, etc.).

How can someone support consensus if they have a serious concern?

- A central element of the consensus process is the group's careful consideration of individual concerns. Concerns are not stumbling blocks, rather they are building blocks for crafting a decision which is wise and widely supported.
- If someone has a genuine concern, they should raise it for consideration and then work with the group to explore creative options. If the group does not adequately address the concern, one has the power to withhold consent, thereby requiring the group to continue looking for a more acceptable course.

- Most group members, however, are able to support the group by offering some form of consent. Consider this range of options:
 - Endorsement (“I like it.”)
 - Agreement, with reservations (“I can live with it.”)
 - Stand aside (“I don’t like this, but I don’t want to hold up the group.”)
 - Will consent if future reconsideration is built-in (“I want to include a sunset clause, or a trial period.”)
 - Formal disagreement, but willing to consent (“I want my disagreement noted in the minutes, but I will support the decision.”)
 - Block (“I do not consent this proposal.”)
- Consensus builds relationships between people and improves group dynamics.
- Consensus agreements tend to enjoy broader support and require less enforcement.
- Consensus moves us toward doing what is best for the common interest, generally prioritizing the good of the whole over any one individual.

What happens if the group cannot reach consensus?

Since it is not always possible to gain the consent of every group member, we have two alternatives.

- Further Exploration: The group decides to take more time to think, discuss, or research before reconsidering the matter at a later date. (One process we use when faced with a difficult decision is to make a decision, sleep on it, and then revisit it at a subsequent meeting. Any meeting participant may call for this procedure.)
- Backup Voting Procedure: The group establishes a modified majority-rule voting procedure for use in such situations. (The SMC Co bylaws provide that if we cannot reach a decision via consensus, then a decision can be made with a super-majority vote of 75%. Any meeting participant can call for a vote.)

So, why do we make decisions by consensus?

- Consensus gathers the experience and wisdom of all group members.
- Consensus makes a genuine effort to identify and address all significant concerns.
- Consensus values creative solutions.

SMCo Meeting Reminders

To help make our meetings more efficient, productive, and satisfying . . .

Before the Meeting

- Do your homework. Read your materials in advance.
- Don't come with "the plan." Come with "an idea" or "a proposal."
See where the group takes it.
- Don't own ideas. Be ready to give them away to the group.
- Arrive and get settled early enough so the meeting can start on time.

During the Meeting

- Help the group stay focused on the agenda.
- Help the group create space for everyone to participate.

When Listening

- Be attentive and gain understanding of what others are saying.
- Be patient and respectful.
- Accept that "information" comes in many useful forms – facts, opinions, hunches, ideas, feelings, mistakes, and silence.

When Speaking

- Be concise.
- Express one idea at a time.
- Use "I" statements to define your needs. Own your feelings.
- Give the reasons behind your thinking.
- Be solution centered.
- Take a dose of humility.

When Deliberating

- Take a long-term view.
- Be open to outcome.
- Don't lobby your idea.
- Don't set limits.
- Look fairly and equally at all pros and cons, and encourage others to do the same.
- Learn when to let go

After the Meeting

- Evaluate: *What worked well?* and *What might we do differently?*
- Assign commitments: *Who's doing what, by when?*
- Follow-up on commitments assigned to you



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