



ADA-ES, Inc.

Employee Handbook

*Current edition supersedes all previously issued editions.
August 2008*



STATEMENT OF PURPOSE

Welcome to ADA-ES, Inc. (referred to in this manual as “ADA” or the “Company”). This handbook represents brief summaries of employment guidelines at ADA. The document is not all-inclusive and is subject to change without prior notice, except the provision that employment is at will. Consequently, the contents of this handbook do not constitute or express an implied contract of employment. Employment with ADA is at will, meaning that both employer and employee have the right to terminate the work relationship at any time and for any reason.

Feel free to approach the President/Chief Executive Officer, any member of the Executive Team, or the Human Resources Manager with any questions you may have about the guidelines outlined in this handbook. It is the goal of ADA to provide a challenging, pleasant, and safe working environment for all employees.



MISSION STATEMENT

ADA develops and commercializes innovative technologies to sustain the viability of coal as a critical national resource. We provide cost-effective products to reduce emissions, increase efficiency, and improve the competitive position of our customers. Successfully achieving this mission will result in a significant financial return to our shareholders.

CORE VALUES

ADA's success and future depends on the satisfaction of and the working relationships formed with customers, suppliers, business partners, and associates. The vitality of the Company is based on continued profitability. We value:

- Quality Products and Service
 - Teamwork
 - Integrity
 - Initiative
 - Adaptability
 - Reputation
 - Lifetime learning
 - Safety
-

ADA BUSINESS MODEL

ADA provides environmental technologies. We make money by developing and providing value-added solutions that include:

- Low-cost capital equipment
- Products and services that provide recurring revenue



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EMPLOYMENT PRACTICES

Employment Agreement

Each employee must sign an employee agreement when they begin work at ADA. Employees and ADA have the right to terminate employment at any time. However, certain portions of the employment agreement may be effective beyond any termination date.

Employment Status

Employee positions at ADA are defined as either exempt or non-exempt from the payment of overtime.

Exempt: Exempt personnel are those employees who are exempt from the 1938 Fair Labor Standards Act (FLSA).

Non-Exempt: Non-exempt personnel are subject to the provisions of the FLSA and are paid 1 1/2 times their regular rate of pay for all hours worked in excess of 40 hours per week.

Full-Time: Full-time status applies to employees who are normally scheduled to work a minimum of thirty (30) hours, but generally forty (40) hours per week. The proration of some benefits may occur for thirty (30) to less than forty (40) hour schedules.

Part-Time: Part-time status applies to employees who normally are scheduled to work less than 30 hours per week.

Temporary: Temporary status applies to employees who will be working at ADA for a limited interval of time, or on a specially designated project or group of assignments.

Employees uncertain of their status should contact their supervisor or the Human Resources Manager.

Employment of Family Members

ADA may consider employment or continued employment for candidates/personnel who are immediate relatives of another employee. An immediate relative would include a spouse (including common-law and same gender spouses), parent, grandparent, child, grandchild, sibling, aunt, or uncle, niece or nephew, or an individual who has acquired such a relationship through marriage/common-law. Step children/



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grandchildren and foster children/grandchildren/parents are considered children, grandchildren and parents for the purpose of this policy.

Immediate relatives of existing employees may be hired, promoted or transferred, provided that the parties are not members of the same work group and/or that no potential or real conflict of interest exists due to a reporting or supervisory relationship. It is the responsibility of each employee to avoid situations that create a conflict of interest. Summer employment for the children of employees is acceptable and encouraged, provided there is no reporting relationship.

Should two employees become immediate relatives during their employment and find themselves in a direct/indirect reporting or supervisory relationship or in the same work group, where a real or potential conflict of interest arises, one of the two employees will be given ninety days to find alternate employment. ADA will make reasonable efforts to assist in the search.¹

Supporting Community Fundraisers

Employees are welcome to support community fundraisers through requested purchases or donations based on the following guidelines:

- Requests for purchases or donations and/or “sign up” forms may be presented in the kitchen areas of each ADA facility.
- E-mail solicitations to employees are not to be used.
- The employee of children supporting a fund raiser may escort their children to a select group of close business associates so that the children have the opportunity to be active in the process. Mass solicitations are not appropriate.

ADA is not responsible for any lost or stolen donations. The Company also reserves the right to revoke this practice at any time.

Employee Relocation

On a case-by-case basis, ADA may elect to reimburse employees for moving expenses when relocation to the Denver area exceeds 100 miles. ADA may allocate a predetermined amount to the employee. If an employee terminates his or her employment with the Company before one year has elapsed, the employee will owe to

¹ www.hrvc-rhsbc.ca as part of the *HRVS Policies and Procedures Tool Kit*, April, 1996.



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the Company the moving expenses previously paid by ADA. Reimbursement to the company will be deducted from compensation owed at the time of termination.

Time Charging Policy

This is a mandatory policy that outlines the procedures for employee attendance, labor charging, and the completion of time sheets. Labor charges for all time worked and for all paid leave charged (such as holiday, vacation, sick and personal, compensation time, etc.) are reported on time sheets. All active employees must submit a time sheet weekly. There are no exceptions. Failure to consistently complete a time sheet in a timely manner may result in delay of processing for pay and/or termination.

Additionally, it is illegal to deliberately report labor charges improperly or to approve a time sheet having knowledge that it may contain false information. Such action may be cause for dismissal and may also be cause for legal action resulting in substantial monetary fines and/or imprisonment of all employees involved. Discovery of improper labor charging or approval must be reported as is outlined in the ADA Code of Conduct, Whistleblower Protection Policy.

Time sheets must be carefully and accurately prepared and signed or electronically approved by each employee. The employee's signature attests to the hours worked or paid leave charged. An approver's signature or electronic confirmation confirms the completeness and correctness of the total hours worked as shown on the time sheet. Once prepared, the time sheets become the basis for invoicing Company clients and are subject to audit by representatives of the clients. All full-time employees must account for at least 40 hours every week unless other arrangements have been made with a member of the Executive Team. All part-time and temporary employees must account for all time worked and any eligible paid leave incurred.

I. Responsibilities

A. Employees are responsible for:

1. Requesting a charge number from a supervisor, the project manager or other appropriate company administrator prior to commencing work on any project.
2. Completing, on a daily basis, a weekly time sheet that contains a truthful record of all time worked excluding meal periods and all paid leave charged.
3. Submitting the completed time sheet to the immediate supervisor or the accounting department on the scheduled due date.

B. Supervisors and Project Managers are responsible for:



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1. Informing subordinates of proper charge numbers to use for time charging prior to commencing work.
2. Monitoring and validating all time recorded, both regular and overtime.
3. Confirming attendance and labor charges.
4. Delegating supervisory duties when scheduled absences are incurred.

C. The Accounting Department is responsible for:

1. Providing charge numbers for projects and project sub tasks.
2. Placing a listing of charge numbers into the electronic time tracking system.
3. Setting up employee time sheets within the electronic time keeping system.

II. Procedures

A. Working Hours

1. A workweek consists of seven (7) consecutive twenty-four (24) hour periods (days) beginning at 12:01 a.m. each Saturday.
2. Normal working hours are 8:00 a.m. to 5:00 p.m. Monday through Friday, with one (1) hour for lunch.
3. With advanced approval from a supervisor, an employee may work different hours and days during the week.
4. If asked to travel on the weekend for project work and departure from home is in the morning or to accommodate a flight time up to 2 p.m., eight (8) hours travel time should be charged. If departure from home is in the afternoon or later or for a flight time after 2 p.m., four (4) hours travel time should be charged.

B. Overtime (See also Compensation: Overtime)

1. Any employee who is not exempt from the requirements of overtime payments under fair wage-hours laws and who works more than forty (40) hours per week shall be paid one and one-half times the employee's regular hourly rate for all hours worked in excess of forty (40) hours in any work week. For computing overtime premium pay (two times the employee's regular hourly rate), only vacation, holiday, jury duty and military duty charges are considered as time worked.
2. A supervisor or the appropriate project manager must approve all work over forty (40) hours per week in advance.

C. Compensatory Time (See also Compensation: Compensatory Time)

1. Any employee who is exempt from overtime pay according to the wage-hour laws and who works more than forty (40) hours per work week will accrue compensatory time off equal to the time over forty (40) hours in one work



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week. A supervisor or the appropriate project manager must approve all work over forty (40) hours per week in advance.

2. The employee will enter the earned (accrued) compensatory time on each time sheet in the appropriate space.
3. Compensatory time taken must be approved in advance by the employee's supervisor or appropriate project manager and should be taken as soon as possible after it is earned, but no later than the quarter following the one in which it was earned, or the time will be forfeited.
4. Compensatory time taken must be recorded on the time sheet using the proper charge code.

D. Time Sheets

1. Each employee is given a unique Employee Number and password to allow him or her access to their own electronic time sheet. The accounting system creates weekly time sheets automatically. It is the responsibility of each employee to ensure that they are completing a proper time sheet that is produced by the system.
2. An employee must enter all time worked at least daily on their time sheets. All time must be recorded to the nearest quarter hour rounded to the quarter, i.e., 0 (0/4 hour), 0.25 (1/4 hour), 0.50 (1/2 hour), and 0.75 (3/4 hour).
3. Once an entry is made on a time sheet, it shall not be changed by the employee. However, if an entry is made in error, the employee can make a correction entry on their weekly time sheet. The employee is the only person who can make a correction entry on their time sheet. A correction entry shall be made as follows: on an empty line on the time sheet enter the project number, phase and activity of the entry that needs to be corrected, and place the number of incorrect hours as a negative number. On the next empty line, enter the project, phase and activity where the correct number of hours will be entered as a positive number. At the end of the week when the time sheet is printed, the employee shall circle the correction entry and make a handwritten note on the time sheet as to the explanation for the correction entry. The time sheet will be signed by the employee and employee's supervisor only after the handwritten notes have been entered.

In the event a correction is required on a time sheet that has previously been submitted to the Accounting Department, the procedures in II.F (below) are to be followed.

4. In the event of a scheduled absence (i.e., vacation, jury duty, etc.) on the last normal work day of the week, the employee must, on the last day worked, complete the time sheet through the end of the week. The time sheet is then submitted to the supervisor or to the Accounting Department.



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5. In the event of an unscheduled absence on the last normal work day of the week, the supervisor or the Accounting Department may complete the time sheet. The supervisor must make a note on the time sheet that the employee was not available for submitting the time sheet and approve the time sheet.
6. If an employee is assigned to a temporary duty location other than a company office, the employee may “call in” their time charges for the week to the Accounting Department. The Accounting Department will complete a time sheet for the employee, making note on the time sheet that the employee was not available for submitting the time sheet and obtaining supervisor approval.
7. With the exception of #5 and #6 above, employees should not fill out another person’s timesheet or permit anyone else to complete theirs. Violation of this policy will not be tolerated.
8. Time sheets not received in the Accounting Department for the prior week by Monday, 9:00 a.m. MT, are considered late. These time sheets may be delayed for processing of pay.

E. Approvals

1. All required signatures or electronic approvals must be on the time sheet prior to submission to Accounting.
2. Time sheet approval certifies that the total time reported is reasonable, and that the time sheet was prepared in accordance with these procedures.
3. All employees must have their time sheets approved by a supervisor. The President/CEO of the company is the only individual authorized to approve their own time sheet.

F. Corrections to Time Sheets After Submitting to Accounting Department

1. A time sheet is to be corrected if and only if time has not been recorded accurately or if a “no time sheet” entry was submitted. Exhaustion of project funds or preference for cost allocation are not acceptable reasons for time sheet corrections and, in fact expose both the employee and company to possible prosecution.
2. A correction entry shall be made on the current week’s time sheet as follows: on an empty line on the time sheet enter the project number, phase and activity of the entry that needs to be corrected, and place the number of incorrect hours as a negative number. On the next empty line, enter the project, phase and activity where the correct number of hours will be entered as a positive number. At the end of the week when the time sheet is printed, the employee shall circle the correction entry and make a handwritten note on the time sheet as to the explanation for the correction entry and the date for which the correction applies. The time sheet will be signed by the employee



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and employee's supervisor only after the handwritten notes have been entered.

III. Direct and Indirect Time Charging

A. Direct Time Charging

1. Time charged to contracts, Independent Research and Development (IRAD), and Bid and Proposal (B&P) are considered direct time charges.
2. Employees will charge time direct to contracts when their effort and function is in direct support of the statement of work (or requirement) of a contract.
3. Employees should charge time direct to IRAD projects when their effort and function is in direct support of the statement of work for a specific project. General IRAD planning and review are part of the responsibility of the technology department, which is an indirect function.
4. Employees should charge time direct to B&P accounts when their effort and function is in direct support of defined B&P activity. General B&P planning and review of proposals by marketing personnel are considered marketing functions and are to be charged accordingly.

B. Indirect Time Charging

1. Time charged to indirect cost pools, either to overhead or general and administrative (G&A), is an indirect time charge.
2. Time incurred for activities and functions that support direct labor personnel or direct costs (such as general clerical support, general supervision, purchasing activities, and staffing activities) should be charged to overhead departments.
3. Time incurred in the planning and general supervision of IRAD projects should be charged to overhead departments.
4. Time incurred in finance/accounting, office of the President/CEO, marketing and general corporate activities such as policies and procedures for personnel, contracts and the like should be charged to G&A departments.

C. Casual Time

1. Casual or incidental time incurred should be charged to the employee's normal charge number. This includes such time as brief staff meetings and spontaneous consultations.

D. Function Performed

1. The decision to charge direct or indirect should be based upon the function the employee is performing.



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IV. Miscellaneous

- A. Hotline – In addition to using the Whistleblower Policy as outlined in the ADA-ES, Inc. Code of Conduct, the Department of Defense (Defense Hotline, The Pentagon, Washington D.C. 20301-1900) has established a Hotline Program that provides an opportunity for employees to report suspected fraud, waste, abuse of authority, gross mismanagement and suspected mischarging. Reporting may be done on an anonymous basis by telephone (800-424-9098), e-mail (hotline@dodig.osd.mil), or website <http://www.dodig.osd.mil/HOTLINE>.

Privacy, Personal Information and Personnel Records

Employees and agents of ADA and its affiliates are expected to operate in a way that ensures that personal information collected and used to conduct business operations and personnel administration is safeguarded, distributed on a need-to-know basis only, and managed based on current federal, state, and local laws.

Personnel records are confidential and the property of the Company.

Employees may inspect their own personnel files by making a request, in writing, to their supervisor or the Human Resources Manager. A supervisor may inspect the file of an employee reporting directly to him/her, or within his/her reporting line. Personnel files may be viewed only during regular business hours. Employees shall not inspect their files without an authorized employee present. Authorized employees include the Human Resources Manager, the President/Chief Executive Officer and the Chief Operating Officer. Employees shall not remove their files, or any portion of their file, at any time, although employees may add documents that provide relevant information.

Performance Appraisals

ADA realizes that there will be a period of adjustment for most newly hired employees and believes that there should be a formal communication during this period between supervisors and employees. An employee's first performance appraisal is generally scheduled at the end of the first ninety days of employment.

After the initial appraisal, employees are generally appraised annually, although appraisals could occur at any time. The annual performance appraisal period is normally held from November 15 to December 15 of each year. If more than one year has passed since an employee's last appraisal, the employee should contact and advise his/her supervisor and the Human Resources Manager.

Areas that may be evaluated are in conformance to core values, job knowledge, application of skills, judgment, decisiveness, job quality, job quantity, flexibility and



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adaptability, cooperation, dependability, respect for property, attendance, and professional appearance as these areas relate to the requirements for specific positions. Performance will be based on input from management, peers, and subordinates.

ADA expects all employees to comply with the Company's standards of behavior and performance. Noncompliance with these standards will be communicated by management and remedied by disciplinary measures.

Termination

Check-out procedures will apply to all ADA-owned property, including, but not limited to, office and other equipment, credit cards, tools, keys, etc. Unless otherwise agreed by the employee and the Company, all ADA owned property must be returned upon termination. Conversion of insurance or other employee benefits will also be addressed as necessary.

Employees may be asked to complete a termination questionnaire and an exit interview when they terminate employment with the Company. This interview may include, but is not limited to, a review of various confidentiality issues the employee is required to uphold post-termination pursuant to his or her Employment Agreement with the Company. Employees may also be asked to review and sign a checklist verifying that all Company owned property has been returned.

Reinstatement of Former Employees

ADA may choose to rehire a former employee. The following relates to the reinstated employee's service to the Company and health, dental, disability, profit sharing and pension vesting benefits:

- If the reinstatement is within 6 months of the termination date, the absence will be treated as a Personal Leave-of-Absence.
- If the reinstatement occurs more than 6 months after the termination date, the employee will receive benefits consistent with service levels achieved as of the termination date. (See also ADA-ES, Inc. Retirement Plan, Five-Year Break in Service, for information regarding potential forfeitures.)

Deviations to this policy may be granted by a member of the Executive Team.



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Expense Reports

It is ADA policy to reimburse employees from approved expense reports on a weekly basis. This ensures that employees who have filed timely reports are reimbursed for Company purchases prior to the receipt of associated credit card statements and are not hindered in their ability to make payments in full. Typically, employees provide their own credit card for making Company authorized purchases. On a case-by-case basis, the Human Resources Manager may assign a corporate credit card to an employee.

To be eligible for reimbursement, approved expenses must be submitted within 90-days of the day in which the expense was made. All submitted expenses should be consistent with the needs of the Company. The Company's intent is that an employee neither loses nor gains financially as a result of any business expense, including travel and entertainment. Employees are expected to spend the Company's money as carefully as they would their own.

All expenditures over twenty-five dollars (\$25) require a receipt. Meals under twenty-five dollars (\$25) may be expensed without a receipt or per diem rates may apply. When expensing meals and incidentals based on a per diem rate, the per diem allowance should be based on the location of the work site. Current per diem rates can be found on the Corporate drive under Forms & Templates\Expense Reports\Travel Expense.xls. If the site location is not listed in the table, check with the Accounting department or refer to various Internet sites (e.g. www.gsa.gov). If the site is not listed and the listing for the closest larger city would not be appropriate, use the location on the ADA table with the lowest figure as a guide.

Meals and incidentals may be expensed as a flat daily rate with the following exceptions:

- Meal expenses that were incurred as part of dining with a client or other business related meeting,
- Partial days (travel day to and from work site, which is expensed at 75% of the full day meal and incidental expense rate) and/or
- Other instances that create duplication between the per diem and other ADA incurred expenses (example – someone else pays for a meal).

If asked to travel on the weekend for project work and departure from home is in the morning or to accommodate a flight time up to 2 p.m., a full day's per diem should be charged. If departure from home is in the afternoon or for a flight time of 2 p.m. or later, per diem for dinner only should be charged.



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Employees who approve expense reports are responsible for the propriety and reasonableness of expenditures, for ensuring that expense reports are submitted promptly and that receipts and explanations properly support reported expenses.

Attire

Attire at ADA offices is business casual. Employees are expected to dress in a manner that the industry would consider appropriate for the current work tasks.

Protection and Use of Facility and Office Assets

Proper protection and use of assets is a fundamental responsibility of each employee. Employees must comply with site security programs to safeguard physical property and other assets against unauthorized use or removal, as well as against loss by criminal act or breach of trust.

Employees must have authorization from the Office Manager or a member of the Executive Team to remove equipment or materials from ADA premises or to use Company facilities and/or equipment for personal use on-site outside of regular working hours. Safety procedures must be followed at all times.

A. Lights, Computers and Other Electronic Equipment

Prior to leaving the office for the day, employees are requested to turn off lights, and other electronics used in their workspace, and any other lights in the building not being used. Computers must be turned off or left in “Hibernate” mode (see IT Administrator or Office Manager for additional information).

B. Access to ADA Facilities

Each full- and part-time employee will be issued a means of access to the office location to which they primarily report. Access to the building may be in the form of a key, a security code or card, etc. Other keys to the building may be issued as deemed appropriate. It is the responsibility of each employee to secure the building as described above. The last employee to leave the building must verify that all access to the building (doors, garage doors, windows, etc. as applicable) is secured and locked before leaving.

C. Exterior Doors

All exterior doors should be locked each workday after work hours. Employees leaving the building after 5:00 p.m. are required to ensure that the building is secure.



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Warehouse/back doors should remain locked at all times. All exterior doors should remain locked at all times during the weekend and on company designated holidays.

D. Facility Housekeeping

It is the responsibility of each employee to ensure that all ADA facilities are properly maintained in a clean and safe condition. Common areas used should be straightened and/or wiped down at the completion of use. Items supplied in common facility areas and used by an employee must be returned to their appropriate storage area upon completion of use. These items include, but are not limited to, supplies, parts, tools, stored equipment, computer software, etc. Office supplies are available for work related activities only and should be taken only as needed. All common areas, corridors and paths to exit doors should be left open and uncluttered to ensure safety.

E. Recycling

Employees are encouraged to recycle white, colored and coated paper, with or without staples, newspapers and magazines, junk mail, envelopes, with or without windows, folders (manila, coated or colored), brochures, pamphlets and posters, books and manuals with glue bindings, notepads and spiral notebooks, self-adhesive notes (Post-It Notes), corrugated box, glass, and aluminum. Blue recycle bins are provided to each employee located at the Corporate Office.

F. Computer and Internet Usage

This policy applies to all employees, vendors or contractors when they are using computers or Internet connections supplied by ADA, whether during or after work hours, and whether from ADA premises or a remote location.

Facilities Monitoring: ADA provides computers and Internet connections ("Facilities") to further its business interests. These Facilities should be used for ADA business. ADA has the right to monitor all communications and downloads that pass through its Facilities, including all Internet activities and emails to or from a computer or Internet connection supplied by ADA, at its sole discretion.

Continuing Computer Maintenance Program: Each employee's machine receives maintenance generally on an annual schedule to complete the following:

1. Spyware/Adware removal
2. Update anti-virus software and run full system scans
3. Clean up profile data such as cookies, temporary internet files, desktop items, etc.



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4. Check hard drive space.
5. Run Microsoft Windows and Microsoft Office updates.
6. Remove items from the machine if identified. These include, but are not limited to, any illegal downloads such as peer-to-peer file sharing, music downloads, etc. and games installed on the machine.
7. Review and possibly remove items that include, but are not limited to:
 - Software loaded for work but not licensed. An evaluation will be done as to whether the software is required, and if so, a licensed copy will be obtained.
 - Downloading of themes (mouse pointer icons, screen savers, etc.) (Also, at any time of the year, should IT be asked to diagnose a problem, these items may be removed to eliminate any possibility that they are contributing to the issue being troubleshot.)
 - Software loaded that is not for ADA business purposes.

During the month in which a machine is scheduled for its annual maintenance, employees are expected to reasonably make their machine available to IT for the time needed to complete the service.

Improper Activities: Employees may not disseminate or initiate receipt of harassing, intimidating, sexually explicit, threatening or illegal information by use of ADA Facilities, including screen savers, offensive jokes or cartoons. The use of obscene, profane, or abusive language is prohibited. ADA Facilities may not be used for personal or commercial advertisements, solicitations or promotions, and may not be used to disclose Company trade secrets or proprietary information, or to engage in inappropriate contacts with competitors or customers. ADA discourages the use of online radio services. Note: Isolated accidental access to inappropriate material does not constitute misconduct.

Nature of E-Mail: E-mail resembles speech in its speed and lack of formality. Unlike speech, e-mail leaves a record that is often retrievable even after the sender and recipient delete it. Employees shall exercise courtesy and thoughtfulness while using e-mail. A positive e-mail contact with a customer or coworker can enhance goodwill, while a negative experience can destroy a valuable relationship and leave a traceable mark.

E-Mail Management: ADA encourages constant management of all e-mail boxes to which an employee is assigned. As a general rule, e-mail messages should be deleted once reviewed. If saved, e-mails should be sorted into logical folders and subfolders for more efficient searching and restoration ability. Critical e-mail information should be copied to a disk or to the hard drive of the employee's



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computer in order to provide a personal backup. E-mail box size is limited by ADA. In addition, the IT Administrator or the Office Manager will monitor mailbox size.

Intellectual Property of Others: Employees shall not download or use material from the Internet or elsewhere in violation of software licenses, the copyright trademark, or patent laws. Employees may install software obtained over the Internet with written permission from the IT Administrator or the Office Manager, and in accordance with all legal requirements.

Downloading: Software should be downloaded from the Internet only with prior approval from the IT Administrator or the Office Manager as the download could introduce a computer virus into the Company's network. In addition, downloaded software may be protected by copyright and such downloading may constitute copyright infringement and subject the Company to both civil and criminal liability.

Downloading of illegal material as well as music and other copyright-protected content is prohibited. Downloading of some music is illegal. Downloading music also increases the risk of "hacker" or virus accessibility and is therefore against Company policy.

Other Uses: The Internet should not be used to send or participate in chain letters, pyramid schemes, or other illegal activities of any kind. The Internet should not be used to solicit or proselytize others for commercial or non-commercial purposes, causes, outside organizations, chain messages, or other non-job-related purposes.

Antivirus Software: It is Company policy to update the antivirus software when prompted and to advise the IT Administrator or the Office Manager if there is a problem. The IT Administrator or the Office Manager should be contacted immediately if an employee suspects a virus has been received.

Personal Internet E-mail Accounts: The Company's Internet connection may not be used to access outside (Internet) e-mail accounts (e.g., Yahoo, AOL, Excite, Comcast) while connected to the network. Viruses may infect the network through these personal e-mail accounts. Although the Company does not prohibit the use of Company provided e-mail accounts for personal use, it does not encourage such use. Employees are reminded that all information and data on Company-provided computers belongs to the Company. The Company retains the right to inspect and take control of those files at any time. It is also against Company policy to utilize any "Instant Messenger" service that may be provided through the Internet or otherwise. Viruses may infect the network through such instant messenger services.



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Backing Up Data: ADA conducts regular back-ups of all server data. It is the responsibility of each employee to ensure that pertinent Company information is regularly transferred to the Company server when developed on a laptop computer or other electronic device that is not connected to the Company server. This will mitigate loss due to theft, technical problems, or other unexpected mishaps.

Data back up procedures have been developed for employees who are not based out of a Company office location. The IT Administrator or Office Manager should be consulted if this applies.

Reporting Violations: Suspected violations to this policy should be reported to the IT Administrator or the Office Manager.

Cellular Phone Usage Safety

A. Usage While Operating a Vehicle

ADA discourages cellular phone usage while driving (cars, trucks, forklifts, etc.). Employees should never place themselves at risk to fulfill business needs. All applicable cellular phone bans (including counties or jurisdictions) must be observed.

Employees are encouraged to:

1. Place calls when not operating the vehicle
2. Allow voicemail to answer calls received when driving

B. Usage During Plant Facility Work

Employees using cellular phones at client locations must also consider safety when using these phones. Site safety plans should be consulted for additional information related to cellular phone usage at each specific plant location.



COMPENSATION

General

Forms of compensation may include base pay, individual and Company-based performance pay, profit sharing, ADA Retirement plan (401K) matching by the Company and other methods as determined from time to time by the Board of Directors and/or the Executive Team.

Annual adjustments to salary may contain a cost of living adjustment and may also contain a merit-based component.

Individual-based performance pay may be awarded to employees. Employees may receive performance pay for reaching established objectives. Performance pay may also be awarded on a discretionary basis for achieving objectives periodically set by ADA management.

Company-based performance pay may be awarded to employees for achieving performance objectives set by ADA management.

Profit-sharing funds may be awarded to employees. These awards may be distributed for successful achievement of predefined corporate financial and individual goals, may be in the form of Company stock, and may be awarded solely as determined by the Board of Directors. For more information, see the Human Resources Manager or Corporate Files N:\Human Resources\Profit Sharing Plan document.

Based on eligibility and policies described in the Corporate Files N:\Human Resources\Retirement Plan document, matching funds related to employee 401K contributions may be awarded to employees.

Executive Team members must also meet all requirements described in the Executive Compensation Plan, which includes guidelines and expectations related to stock ownership buying and selling. For more information, see the Human Resources Manager. The most current version of the plan is available on the Current Files N:\Human Resources\Executive Compensation Plan.

Pay Periods

ADA employees are paid on a bi-weekly basis (every two weeks). Payment is made on the Friday following the prior two weeks of work activity.

Compensation is delivered via electronic funds transfer unless otherwise requested by the employee.



COMPENSATION

Paycheck stubs are delivered to the employee for whom the check is issued. The only exception to this occurs when the employee has given written authorization to Human Resources or to the Accounting Department to deliver the paycheck stub to someone else. Delivery of the paycheck stubs is made in person to the employee by the Accounting Department or delivered through company or outside mail in a sealed envelope.

Compensatory Time

All compensatory time worked by an employee must be pre-approved by the employee's supervisor or appropriate project manager.

Exempt employees will receive compensatory time for time worked in excess of 40 hours that has been pre-approved. Supervisors must send approval for compensatory time to the Accounting Department in writing or by e-mail. Compensatory time is not available for non-exempt employees.

Approved compensatory time will be accrued, and must be used by the employee by the end of the quarter following the quarter in which the hours were earned. (Example: compensatory time earned in October, November or December 2006, must be used by March 31, 2007). Any compensatory time not used during the limit period will be forfeited, unless an extension is granted by a member of the Executive Team.

Overtime

All overtime worked by an employee must be pre-approved by the employee's supervisor or appropriate project manager.

For non-exempt employees, time worked in excess of 40 hours in a workweek that has been pre-approved will be paid at time and one half the employee's regular rate of pay. For computing overtime premium pay (two times the employee's regular hourly rate), only vacation, holiday, jury duty and military duty charges are considered as time worked. If a non-exempt employee is asked to work a holiday, the employee may request, and the employee's supervisor may schedule another day off in lieu of overtime pay. Approvals for overtime received by the Accounting Department in writing or by e-mail from the employee's supervisor will be accrued.

Exempt employees are not eligible for overtime pay except as approved on specific projects by the Chief Operating Officer and paid at straight time for hours worked in excess of forty hours per week.



EMPLOYEE BENEFITS

Eligibility

The benefits program is an important part of the employee compensation package. Participation in certain areas of the program will depend, in part, upon whether an employee's status is full-time, part-time, or temporary.

Full-time employees who have been employed by the Company for at least one year are eligible for all benefits subject to limitations imposed by the insurer or government regulations. Eligibility for many benefits is available immediately upon employment with ADA.

Full-time employees working between thirty (30) and less than forty (40) hours weekly, and part-time employees are eligible for holiday, vacation, sick and personal time, profit sharing and retirement plan benefits (as defined in those plan documents) at a prorated level.

Temporary employees are not eligible for benefits.

Insurance Coverage

Full-time employees are eligible for medical insurance, dental insurance, short and long-term disability insurance, life insurance, accidental death and dismemberment insurance and travel accident insurance benefits. Domestic partner (see appendix) coverage is secured comparable to spousal coverage whenever possible. (Programs may be changed, added or deleted at the discretion of ADA.) Eligibility is on the first day of the month following the month of employment. New hires must enroll for medical insurance within thirty (30) days of hire or wait for the annual plan enrollment date. New hires must enroll for dental insurance within thirty (30) days of hire or wait for the annual plan enrollment date and may be subject to delayed enrollment penalties. Part-time and temporary employees are not eligible for these benefits.

Eligible employees pay for a portion of the medical and dental benefits premium. Contribution costs for medical and dental benefits are established by ADA, are subject to change periodically, and are paid by the employee through payroll deduction.

Booklets describing the benefits and eligibility requirements for benefits programs are distributed to each eligible employee. Employees with questions are encouraged to ask the Human Resources Manager.



EMPLOYEE BENEFITS

Optional Insurance Coverage

ADA also offers supplemental insurance coverage plans, available to full-time employees only. New hires must enroll within thirty (30) days of hire or wait for the annual plan enrollment date.

This insurance is optional to each employee, and is paid by the employee through payroll deductions. The Company may change the availability of these offerings periodically.

ADA-ES, Inc. Retirement Plan

ADA currently offers eligible employees a retirement plan to supplement Social Security benefits. Details of this plan, which may include 401K and profit sharing components, are outlined in the ADA-ES, Inc. Retirement Plan, Summary Plan Description. See the Human Resources Manager or Corporate Files N:\Human Resources\ADA-ES Retirement Plan document for the current version.

Profit Sharing Plan

ADA may offer eligible employees a Profit Sharing Plan. This plan may include a pension plan component (as described in the ADA-ES Inc. Retirement Plan), a company wide distribution component and a performance-based component. This program is not currently in place.

Bonus Program

ADA may offer eligible employees a Bonus Program. Currently, the Company offers the following:

Part I – Safety Bonus

Employees share equally in this pool. Over the course of each calendar year, assuming there are no OSHA recordable incidents, 100% of this bonus will be distributed to all eligible employees. The pool distribution is reduced to 50% should the Company experience one recordable incident.

Part II – Discretionary Performance Bonus

A discretionary bonus pool money may be available to each department head to award. Departments individually establish relevant performance goals, objectives and criteria as the basis from which bonus dollars may be distributed. Employees are not guaranteed to receive a bonus and bonus dollars may be awarded at different levels.



EMPLOYEE BENEFITS

Professional Society Membership

To encourage professional development for full-time exempt employees, ADA may contribute to the employee's annual membership dues to one professional society closely related to the employee's job.

Employee eligibility for professional society dues reimbursement is initiated by presenting a request to the employee's supervisor. Reimbursement by ADA will be contingent upon evidence of payment during the calendar year in which the payment was made. New employees may be eligible for this benefit once they have completed six months of service.

Tuition Reimbursement

ADA encourages employees to seek further education related to their work related responsibilities. Employee eligibility for tuition reimbursement is initiated by presenting a request to the employee's manager and approval by the Executive Team. In general, reimbursement will be contingent upon;

1. Evidence of payment during the calendar year in which the payment was made, or tuition may be paid directly by the Company.
2. For advanced degrees: Maintaining a "B" average or above.
3. For Certification Programs: Completion of approved preparatory classes and one successful attempt at exam completion.

New employees may be eligible for this benefit once they have completed one year of service. For more information, contact Human Resources.

ADA may ask that any employee participate in a course or seminar for the benefit of the Company. In this situation, ADA will pay for 100% of the tuition and for the employee's time to attend (based on certain conditions).

Should an employee leave the Company within one year of receiving any Company approved and paid training, ADA reserves the right to request reimbursement for the training from the employee.

Holidays

ADA currently observes ten paid holidays during the course of the calendar year. The first eight are designated and consist of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve, and Christmas Day. The other two are Company-sponsored floating holidays (or 16 hours)



EMPLOYEE BENEFITS

to be taken at the employee's discretion. All designated and floating holidays must be used each calendar year, or forfeited. Unused holiday hours are not paid upon termination.

During the first calendar year of employment, new full-time (forty hours plus) employees will receive floating holidays as follows:

Hire Date	Floating Holiday Hours
January, February, March	2.0 Floating Holidays (16 Hours)
April, May, June	1.5 Floating Holidays (12 Hours)
July, August, September	1.0 Floating Holiday (8 Hours)
October, November, December	.5 Floating Holiday (4 Hours)

Full and part-time employees are eligible for paid holidays from their first day of employment. Full-time employees working between thirty (30) and less than forty (40) hours weekly and part-time employees are compensated for designated holidays if normally scheduled to work that day. Full-time employees working between thirty (30) and less than forty (40) hours weekly and part-time employees are not eligible for floating holidays. Temporary employees are not eligible for holiday compensation.

Non-exempt employees may receive time off for holiday hours worked (see "Overtime"). Exempt employees who work a holiday will not lose their holiday hours, as the hours accrued will remain until used or until the end of the calendar year, whichever comes sooner.

Vacations

Currently, full-time (forty hours plus) employees earn vacation as defined below:

Years Employed by ADA	Accrued per Month	Accrued per Year
0-3 Years	8 hours	12 days
4-9 Years	10 hours	15 days
10-14 Years	13 1/3 hours	20 days
15 -19 Years	16 2/3 hours	25 days
20 or more Years	20 hours	30 days



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Full-time employees working between thirty (30) and less than forty (40) hours weekly and part-time employees receive a prorated amount of vacation from their first day of employment as follows:

Hours Worked per Week	Accrued per Month	Accrued per Year
30–<40 Hours per Week	7 hours	10.5 days
25–<30 Hours per Week	6 hours	9 days
20–<25 Hours per Week	4 hours	6 days
Less than 20 Hours per Week	None	None

Temporary employees are not eligible for vacation.

ADA encourages employees to take their vacation time during the year in which they earn it. Employees may not carry more than 30 days or 240 hours of vacation into the next calendar year. Should an employee terminate from the company accrued vacation hours will be paid to the employee.

Conversely, with written pre-approval from their supervisor, employees may take vacation time yet to be accrued. This time must be either “worked off” or repaid to the company through payroll deductions within one year from the time the negative balance was established. Should the employee terminate or be terminated, negative balances must be reimbursed to ADA. Negative accruals (including a combination of vacation and sick and personal time) will not exceed 80 hours.

Employees should request vacation time from their supervisor 15 days in advance of the requested period of absence. Employee requests are subject to the approval of their supervisor.

In the case of a leave taken as allowed by law or approved by ADA, employees may choose to offset disability insurance reimbursement or other unpaid leave hours with vacation hours until they are depleted. Vacation time will not continue to accrue during these leave periods.

Sick and Personal Days (S&P)

ADA currently provides employees with paid Sick and Personal (S&P) days in order to compensate employees for the work time missed due to medical appointments, injury, illness, illness of a family member, bereavement leave, religious holidays, military duty or personal emergencies. If an employee is sick or may be infectious, the employee is encouraged to use S&P time.



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S&P time accruals begin for eligible employees immediately upon hire and are reflected at the end of each month. Employees may not accrue more than a total of 32 days or 256 hours of S&P time. S&P time may not be used to extend vacations or holidays. Accrued S&P time has no monetary value and is forfeited upon termination from ADA.

Conversely, with written pre-approval from their supervisor, employees may take S&P time yet to be accrued. This time must be “worked off” or repaid to the company through payroll deductions within one year from the time the negative balance was established. Should the employee terminate or be terminated, negative balances must be reimbursed to ADA. Negative accruals (including a combination of vacation and sick and personal time) will not exceed 80 hours.

Full-time employees may earn up to 8 days of S&P time per year. Full-time employees working between thirty (30) and less than forty (40) hours weekly and part-time employees may receive prorated S&P time as follows:

Hours Worked per Week	Accrued per Year
30–<40 Hours per Week	7 days
25–<30 Hours per Week	6 days
20–<25 Hours per Week	4 days
Less than 20 Hours per Week	None

Temporary employees are not eligible for S&P time.

Employees will notify their supervisor and/or the office of the need for a sick day as soon as possible. Employees needing S&P time for personal reasons other than illness or injury must notify their supervisor and schedule the time off at least a week in advance, if possible. Notification of any leave requiring more than 3 days should follow the policies outlined under Medical Leave of Absence or Family Leave of Absence as appropriate.

In the case of a leave taken as allowed by law or approved by ADA, employees may choose to offset disability insurance reimbursement or other unpaid leave hours with S&P hours until they are depleted. S&P time will not continue to accrue during these leave periods.

Severe Weather Days

ADA facilities are intended to remain open during normal business hours regardless of weather conditions. Each employee should decide whether it is safe to travel to work during adverse conditions. Employees are expected to make a determined effort to reach the office, even if they are late. During the most extreme (e.g., blizzard) conditions, employees who have the ability to complete work from home may do so,



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upon supervisor approval. Employees who choose to stay home or are otherwise unable to complete ADA work, or have not received supervisor “work at home” approval must use vacation hours, make up the time at a later date as approved by their supervisor, or take the time without pay.

Workers Compensation – Use of Designated Medical Provider

In the event of a life or limb-threatening emergency, all employees will be sent to the nearest emergency facility. The Human Resources Manager should be contacted to report the incident at the first available opportunity.

Once stabilized, and in the event that ongoing treatment is required for a work-related injury or illness, the Human Resources Manager or designee will contact the Workers Compensation insurance company to provide the employee with an approved list of medical providers from which the employee can choose. The employee must transfer care to a caregiver and/or facility identified on this list. If the transfer is not made and a medical provider or facility not authorized for Workers Compensation claims treats an employee, the employee will be responsible for payment of said treatment.

Medical Leave of Absence

Medical Leave of Absence is available to employees once they have completed 12 months of service with ADA and at least 1,250 hours of service (as established under the Fair Labor Standards Act) with ADA during the previous 12-month period. Medical Leave of Absence is unpaid and may be taken for a serious health condition rendering one unable to perform their job. A serious health condition is an illness, injury, impairment, or physical or mental condition that involves:

1. Inpatient care in a hospital, hospice or residential medical facility; or
2. Continuing treatment by a healthcare provider. This is defined as:
 - An incapacity (inability to work, attend school or perform other regular daily activities) of more than three consecutive calendar days that also involves
 - a) treatment two or more times by a healthcare provider, nurse or physician’s assistant under direct supervision of a healthcare provider, or by a provider of healthcare services under orders of, or on referral by, a healthcare provider; or
 - b) Treatment by a healthcare provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the healthcare provider.



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- Any period of incapacity due to pregnancy or for prenatal care.
- Any period of incapacity or treatment for such incapacity due to a chronic serious health condition.
- A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective.
- Any period of absence to receive multiple treatments, including any recovery, by a healthcare provider or by a provider of healthcare services under orders of, or on referral by, a healthcare provider either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

ADA guarantees employment for employees returning from a Medical Leave of Absence as follows:

- A leave of up to 12 workweeks during one 12-month period may be taken. (An employee's workweek is defined as the employee's usual number of working hours during each ADA workweek as defined under Time Charging Policy Section II.A.1)
- The 12-month period is measured from the date when the employee's first leave begins. During that 12-month period, the employee is entitled to up to, but no more than, 12 workweeks of unpaid leave, which may be taken intermittently.
- Leave due to pregnancy is treated as a medical disability. ADA allows employees 12 workweeks recovery from delivery and guarantees employment for this period.
- A leave not required by law requires supervisor and Human Resources approval prior to the leave and may be granted for up to 6 workweeks.
- Employee Notification to ADA: It is necessary that supervisors are apprised of any potential Medical Leave of Absence. The employee must provide his/her supervisor with notification of the leave *before it starts* (30 days prior to leave), unless sufficient information is not available or circumstances do not permit timely notice. Supervisors anticipating an employee's Medical Leave of Absence must notify the Human Resources Manager. The employee will submit to Human Resources a Certification of Health Care Provider *for Employee* form from the attending physician outlining the reason for the leave and the estimated time needed. A form must also be completed and returned for those situations for which the leave was unanticipated. Additionally, the Company may request the employee's written permission enabling a Company doctor to contact the employee's physician and/or may require a second or third opinion at ADA expense (exceptions when a Workers Compensation claim is running concurrent with the leave may apply).



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- Employees ready to return to work from a Medical Leave of Absence must present a doctor's statement attesting to the employee's fitness for work. At its option, the Company may request the employee's written permission enabling a Company doctor to contact the employee's physician for verification.
- Human Resources and the employee's supervisor will handle on a case-by-case basis a Medical Leave of Absence that extends beyond 12 workweeks, or a requested Medical Leave of Absence that falls in the same 12-month period as another approved leave of absence.
- Failure to return from an approved Medical Leave of Absence at the expiration of the authorized leave will normally result in termination.

ADA will continue the employee's life insurance, disability insurance and any supplemental insurance for the first 6 workweeks during an unpaid Medical Leave of Absence. This period may be extended at ADA's discretion. Medical and dental insurance will continue throughout the term of the leave (up to 12 workweeks). The employee will be required to reimburse the Company on a bi-weekly basis for employee contributions associated with their medical, dental and supplemental insurance elections. Failure to submit timely reimbursement of the contributions could result in benefits cancellation.

Employees may choose to cancel their medical or dental benefits during the leave. Upon returning from the leave, benefits reinstatement will be available to the employee on the same terms as prior to taking the leave, including family or dependent coverage, without any qualifying period, physical examination, exclusion of pre-existing conditions or similar requirements.

Holiday, vacation and sick and personal time does not accrue during any unpaid period of a Medical Leave of Absence. Vacation and sick and personal time may be used in conjunction with a Medical Leave of Absence until depleted. Employees are not eligible for jury duty pay reimbursement during a Medical Leave of Absence.

Family Leave of Absence

Family Leave of Absence is available to employees once they have completed 12 months of service with ADA and at least 1,250 hours of service (as established under the Fair Labor Standards Act) with ADA during the previous 12-month period. Family Leave of Absence is unpaid and may be taken for a serious health condition (see definition under Medical Leave of Absence) of a spouse, domestic partner, parent or child, or for the birth of a child, arrival of an adopted or foster child or newborn/added child childcare. This leave may also be taken for a qualified exigency (urgency) of an impending call or order to active duty in the armed forces in support of a contingency operation by an active duty spouse, child or parent of the employee. ADA currently



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guarantees employment for employees returning from a Family Leave of Absence as follows:

- A leave of up to 12 workweeks (see definition under Medical Leave of Absence) during one 12-month period may be taken. 26 workweeks may be taken during one 12-month period to care for a covered service member (see appendix) who is next of kin.
- The 12-month period is measured from the date when the employee's first leave begins. During that 12-month period, the employee is entitled to up to, but no more than, 12 workweeks of unpaid leave, which may be taken intermittently.
- A leave not required by law requires supervisor and Human Resources approval prior to the leave and may be granted for up to 6 workweeks.
- Employee Notification to ADA: It is necessary that supervisors are apprised of any potential Family Leave of Absence. The employee must provide his/her supervisor with notification of the leave *before it starts* (30 days prior to leave), unless sufficient information is not available or circumstances do not permit timely notice. Supervisors anticipating an employee's Family Leave of Absence must notify the Human Resources Manager. If the leave is requested due to the serious health condition of a family member, the employee will submit to Human Resources a Certification of Health Care Provider *for Family Member* form from the attending physician outlining the reason for the leave and the estimated time needed. A form must also be completed and returned for those situations for which the leave was unanticipated. The Company may request the employee's written permission enabling a Company doctor to contact the family member's physician and/or may require a second or third opinion at ADA expense.
- Human Resources and the employee's supervisor will handle on a case-by-case basis a Family Leave of Absence that extends beyond 12 workweeks, or a requested Family Leave of Absence that falls in the same 12-month period as another approved leave of absence.
- Failure to return from an approved Family Leave of Absence at the expiration of the authorized leave will normally result in termination.

ADA will continue the employee's life insurance, disability insurance and any supplemental insurance for the first 6 workweeks during an unpaid Family Leave of Absence. This period may be extended at ADA's discretion. Medical and dental insurance will continue throughout the term of the leave (up to 12 workweeks). The employee will be required to reimburse the Company on a bi-weekly basis for employee contributions associated with their medical, dental and supplemental insurance elections. Failure to submit timely reimbursement of the contributions could result in benefits cancellation.



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Employees may choose to cancel their medical or dental benefits during the leave. Upon returning from the leave, benefits reinstatement will be available to the employee on the same terms as prior to taking the leave, including family or dependent coverage, without any qualifying period, physical examination, exclusion of pre-existing conditions or similar requirements.

Holiday, vacation and sick and personal time does not accrue during any unpaid period of a Family Leave of Absence. Vacation and sick and personal time may be used in conjunction with a Family Leave of Absence until depleted. Employees are not eligible for jury duty pay reimbursement during a Family Leave of Absence.

Personal Leave of Absence

Personal Leave of Absence may be available to full-time employees only. Employees may request an unpaid Personal Leave of Absence once they have completed 12 months of continuous service with ADA. A Personal Leave of Absence may be requested for a reason other than those described under "Medical Leave of Absence" or "Family Leave of Absence," and may be granted subject to approval by the employee's supervisor and the Human Resources Manager.

Several factors are considered in determining whether or not the leave is granted:

- The workload in the employee's department or area of expertise.
- The employee's performance and length of service with the Company.
- The urgency of the situation prompting the leave request.

An employee's position with ADA is not guaranteed during a Personal Leave of Absence. If approved, up to 6 weeks Personal Leave of Absence may be taken. Human Resources and the employee's supervisor will handle a requested Personal Leave of Absence that extends beyond 6 weeks on a case-by-case basis.

A Personal Leave of Absence will normally not be granted within the same 12-month period as a Medical or Family Leave of Absence.

Employees requesting a Personal Leave of Absence must complete a Leave of Absence Request form and submit it to Human Resources at least four (4) weeks in advance of the leave. Employees also need to include an anticipated date of return. Holiday, vacation and sick and personal time does not accrue during any period of a Personal Leave of Absence, and the employee is not eligible for jury duty pay reimbursement. Employees will also bear the full cost to ADA for medical and dental insurance elections, life insurance, and disability insurance. The Company will manage any supplemental insurance the employee has elected until the employee returns to



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work or is terminated. The employee will make all reimbursements to ADA on a bi-weekly basis. Failure to submit timely reimbursement could result in benefits cancellation.

Employees not returning on the stated date will be terminated unless previous arrangements have been made.

Leave for Military Duty

ADA allows full and part-time employees who are in the military to take unpaid leave for active or reserve duty or training, full-time National Guard duty or reporting for examination to determine fitness for military service. Employees requesting such leave are asked to give their supervisor and the Human Resources Manager as much notice as possible and as required by state and federal law, except in the case of local or national emergency.

ADA guarantees employment for employees returning from military leave as required by state and federal regulations.

Employees taking leave for military duty may use previously accrued vacation or sick and personal time to continue their pay during the leave. Vacation and sick and personal time will not accrue during the leave.

Medical, dental, life, accidental death and dismemberment, and travel accident insurance benefits will continue as is appropriate or allowed by the insurer and by law for full-time employees during a military duty leave. The employee will be required to reimburse the Company on a bi-weekly basis (or as soon as possible in the case of a local or national emergency) for employee contributions associated with their medical, dental and supplemental insurance elections. Failure to submit timely reimbursement of the contributions could result in benefits cancellation.

Leave for Jury Duty

ADA grants employees time off to fulfill their jury duty obligations. Employees excused from jury duty during regular work hours must report to work promptly.

ADA places a two-week maximum limit on the number of days a full-time employee will be compensated for jury duty. Part-time and temporary employees will be compensated for the first three days of jury duty.

Compensation will be calculated as the difference between jury pay and the employee's base salary. To receive compensation for days served on jury duty, employees must present to Human Resources written evidence of service on the jury and documentation



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of reimbursement by the court. Employees do have the option of receiving full pay from ADA, and forwarding to the Company the compensation received by the court.

Time off for jury duty will not be counted against vacation or sick and personal time.

Voting

ADA allows a flexible work schedule on Election Day for employees whose regular schedule would otherwise make it difficult or impossible for them to vote. The employee's supervisor must approve the schedule in advance.



EMPLOYEE RELATIONS AND CONDUCT

The Company has developed a Code of Conduct, which provides guidance to employees on their basic ethical and legal responsibilities and supplements this Employee Handbook. As a condition of employment with ADA, employees are expected to comply with the law, with this Employee Handbook and with the Company's Code of Conduct. Employees must review the Code of Conduct and become familiar with its obligations.



APPENDIX - DEFINITIONS

Covered Service Member – Member of the armed forces, including a member of the national guard or reserves, who is undergoing medical treatment, recuperation, or therapy, is in outpatient status, or is otherwise on the temporary disability retired list for a serious injury or illness.

For this coverage:

- “serious injury or illness” refers to an injury or illness incurred by the service member in the line of duty or active duty in the armed forces that may render the service member medically unfit to perform the duties of the service member’s office, grade, rank or rating.
- “outpatient status” means the member of the armed forces is assigned to a military medical treatment facility as an outpatient.

Domestic Partner – Refers to two unrelated individuals who share the necessities of life, live together, and have an emotional and financial commitment to one another, similar to that of a spouse.

Executive Team – This team consists of the Company President/Chief Executive Officer, the Chief Operating Officer, the Senior Vice President and Chief Financial Officer, the Vice President of Administration, the Vice President of Business Development of Utility Systems, the Vice President of Sales and Marketing, the Vice President of Technology, and the Vice President of Emissions Control Systems.

Note: If an employee is unsure about personnel and specific job titles, check the corporate office Current Files N:\Corporate Information\ ADA-ES Phone and Address Lists.