Analyzer International Inc.

Infrastructure Solutions
277 Downs Road, Tustin, CA 92782

Overtime Policy

(recording all hours worked)

For exempt employees not performing direct labor on project related items, all unpaid hours worked above 40 hours per week must be tracked on Analyzer timesheets and submitted during the pay period worked. In the event that the employee is providing direct labor to a prevailing wage project, the employee's overtime rate will be the greater of their base rate or the overtime rate dictated by the Department of Industrial Relations for the employee's classification. The employee's double time rate will be the greater of their base rate or the double time rate dictated by the Department of Industrial Relations for the employee's classification.

For non-exempt employees, all the overtime worked will be paid at a minimum of 1.5 times the employee's base rate. All the double time worked will be paid at a minimum of 2.0 times the employee's base rate. In the event that the employee is working on a prevailing wage project, that employee's overtime rate will be greater of 1.5x the base rate or OT Rate stipulated by State DIR or dictated by the Department of Industrial Relations for the employee's classification. Employee double time rate will greater of 2x the base rate or double time Rate stipulated by State DIR for dictated by the Department of Industrial Relations for the employee's classification.

Overtime premium is accounted as direct cost and overtime delta is accounted as overhead.

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EXEMPT AND NON-EXEMPT EMPLOYEE POLICY

An exempt employee is one who is exempt from minimum wage laws and overtime regulations. All personnel with a civil engineering degree are considered exempt.

A non-exempt employee is one who is entitled to the federal/state minimum wage for each hour worked and entitled to receive overtime pay in accordance with federal/state laws and regulations.

All employees are subject to prevailing wage laws while performing field inspection on prevailing wage projects.