

Discrimination And Harassment

Equal Employment Opportunity Policy

The Company is an equal opportunity employer. We enthusiastically accept our responsibility to make employment decisions without regard to race, color, age, sex, familial status, gender identity or expression, sexual orientation, citizenship, national origin, religion, marital status, physical or mental disability, genetic information or predisposition, veteran or military status, pregnancy, childbirth and related medical conditions, or any other classification protected by federal, state, and local laws and ordinances. Our management is dedicated to ensuring the fulfillment of this policy with respect to hiring, placement, promotion, transfer, demotion, layoff, termination, recruitment advertising, pay, and other forms of compensation, training, and general treatment during employment. The Company will attempt to take steps to ensure any agents, independent contractors or vendors do not create any barriers to anyone's success under this policy.

Any form of discrimination against employees, including interns, will not be tolerated and will result in appropriate disciplinary action, up to and including termination. If an employee believes someone has violated this policy, the employee is encouraged bring the matter to the attention of the Director of Human Resources, or anyone else in management with whom the employee is comfortable. The Company will promptly investigate the facts and circumstances of any claim this policy has been violated and take appropriate corrective measures.

No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting in good faith incidents of unlawful discrimination, pursuing any such claim, or cooperating in any way in the investigation of such reports.

In addition, the Company is committed to providing a reasonable accommodation, upon request, to any qualified individual with a disability, unless it imposes an undue hardship on the organization. The Genetic Information Nondiscrimination Act of 2008 (GINA) prohibits employers from requesting or requiring genetic information of an individual or family member, except as specifically allowed by that law. To comply with GINA, please do not provide any genetic information when responding to any request for information under this policy. "Genetic information" includes:

- an individual's family medical history
- the results of an individual's or family member's genetic tests
- the fact that an individual or an individual's family member sought or received genetic services, and
- genetic information of a fetus carried by an individual or an individual's family member, or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

Likewise, an individual may request an accommodation, such as time off, due to religious beliefs or practices. Also, an individual may be entitled to a reasonable accommodation for pregnancy, post-pregnancy, childbirth, or related medical conditions, and if necessary as a victim of domestic violence, related sex offenses and stalking.

Please speak with your supervisor or human resources about any request for an accommodation. No employee will be subject to any form of retaliation for requesting an accommodation under this policy.

No Harassment Policy

The Company does not tolerate harassment of our job applicants or employees, including interns, by another employee, supervisor, or any third party. Any form of harassment on the basis of race, color, age, sex, familial status, gender identity or expression, sexual orientation, citizenship, national origin, religion, marital status, physical or mental disability, genetic information or predisposition, veteran or military status, pregnancy, childbirth and related medical conditions, or any other classification protected by federal, state, and local laws and ordinances is a violation of this policy and will be treated as a disciplinary matter. While it is not easy to define precisely what harassment is, it does include slurs, jokes, and other uninvited verbal, graphic, or physical conduct by one individual toward another. Harassment of any kind will not be tolerated and may be grounds for immediate termination.

While harassment is not easy to define, examples include verbal (including improper joking or teasing) or physical contact that demeans or shows hostility or aversion towards an individual because of these protected attributes, and (1) has the purpose or effect of creating an intimidating, hostile or offensive working environment; or (2) has the purpose or effect of unreasonably interfering with an individual's work performance, or (3) otherwise adversely affects an individual's employment opportunities. Because it is difficult to predict when conduct or comments might be "unwelcome," employees should avoid *all* such conduct and behave at all times in a professional and respectful manner.

The following steps have been put into place to ensure the work environment at Avalon Transportation is respectful, professional and free of unwelcome sexual harassment or any form of harassment. If an employee believes someone has violated this policy or being harassed by a supervisor, employee, guest, vendor, independent contractor, agent, or other third parties with whom you interact as a part of your job, the employee is encouraged to bring the matter to the immediate attention of his or her supervisor or, where this is inappropriate or not practical, to the attention of the Chief Financial Officer or the Director of Human Resources. The Company will promptly investigate the facts and circumstances of any claim of harassment, including about a third party. If the employee makes a complaint under this policy and has not received a satisfactory response within five business days, he or she is encouraged to contact Jeff Brush immediately. Employees may also bring any concerns to outside individuals or groups.

Upon completion of the investigation, the Company will take corrective measures against any person who has engaged in harassment in violation of this policy, if the Company determines that such measures are necessary. These measures may include, but are not limited to, counseling, suspension, or immediate dismissal. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy, will be subject to discipline, up to and including termination.

No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting in good faith incidents of unlawful harassment, pursuing any such claim, or cooperating in any way in the investigation of such reports.

While you are free to bring your concerns to outside individuals or groups, we cannot remedy claimed harassment unless you bring these claims to the attention of management. Failure to report claims of harassment prevents us from taking steps to remedy the problem.

Sexual Harassment Prevention Policy

The Company does not tolerate sexual harassment of our job applicants, including interns or employees by another employee, supervisor, or any third party. Any form of harassment on the basis of sex or gender is a violation of this policy and will be treated as a disciplinary matter. While it is not easy to define precisely what sexual harassment is, it does include slurs, jokes, comments, compliments, and other uninvited verbal, graphic, or physical conduct by one individual toward another. Sexual harassment of any kind will not be tolerated and may be grounds for immediate termination.

In particular, sexual harassment includes many forms of offensive and unwelcome behavior and may include:

- Unwelcome sexual advances
- Offering employment benefits in exchange for sexual favors
- Making or threatening reprisals after a negative response to sexual advances
- Visual conduct such as leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons, or posters
- Verbal conduct such as making or using derogatory comments, epithets, slurs, and jokes
- Verbal sexual advances or propositions
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes, or invitations
- Physical contact such as touching, assault, impeding or blocking movements.

While sexual harassment is not easy to define, examples include verbal or physical contact of a sexual nature that (1) has the purpose or effect of creating an intimidating, hostile or offensive working environment; or (2) has the purpose or effect of unreasonably interfering with an individual's work performance, or (3) otherwise adversely affects an individual's employment opportunities. Because it is difficult to predict when conduct or comments might be "unwelcome," employees should avoid all such conduct and behave at all times in a professional and respectful manner.

The following steps have been put into place to ensure the work environment at Avalon Transportation is respectful, professional and free of unwelcome sexual harassment. If an employee believes someone has violated this policy or being harassed by a supervisor, employee, guest, vendor, independent contractor, agent, or other third parties with whom you interact as a part of your job, the employee is encouraged to bring the matter to the immediate attention of his or her supervisor or, where this is inappropriate or not practical, to the attention of the Chief Financial Officer or the Director of Human Resources. The Company will promptly investigate the facts and circumstances of any claim of harassment, including a third party. To the extent

possible, the Company will endeavor to keep the complaining employee's concerns confidential. If the employee makes a complaint under this policy and has not received a satisfactory response within five business days, he or she should contact Jeff Brush immediately. Employees may also bring any such concerns to outside individuals or groups.

Upon completion of the investigation, the Company will take corrective measures against any person who has engaged in harassment in violation of this policy, if the Company determines that such measures are necessary. These measures may include, but are not limited to, counseling, suspension, or immediate dismissal. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy, will be subject to discipline, up to and including termination.

No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting in good faith incidents of unlawful harassment, pursuing any such claim, or cooperating in any way in the investigation of such reports.

We cannot remedy claimed harassment unless you bring these claims to the attention of management. Failure to report claims of harassment prevents us from taking steps to remedy the problem.