



HARASSMENT COMPANY POLICY

I. PURPOSE

To assert Herzog Companies' commitment to equal employment opportunity. The goal of this company is to continue to establish, implement and enforce policies that mandate zero tolerance of inappropriate workplace behaviors.

II. SCOPE

This policy applies to all departments, projects, supervisors, managers, and employees in all division/locations. It cannot be stressed enough that this company will not tolerate any form of harassment.

III. POLICY

Our company believes that each individual employed by us has the right to be free from harassment in any form. It is the policy of Herzog Companies to be in compliance with applicable employment laws. Discrimination based on race, color, religion, national origin, marital status, sex, age, disability, sex orientation, disabled or Vietnam Era veteran status is strictly prohibited. We are committed to a work environment free from harassment. Unlawful harassment may take many forms, including, but not limited to:

- Verbal conduct such as epithets, derogatory comments, slurs and unwanted sexual advances, invitations, or comments.
- Visual conduct such as derogatory posters, cartoons, drawings or gestures.
- Physical conduct such as assault, blocking normal movement or interference with any person's work directed at him or her because of that individual's sex, sex orientation or any other protected basis.
- Threats and demands to submit to sexual requests in order to keep your job or some other loss, and offers of job benefits in return for sexual favors.
- Retaliation for having reported the harassment.

Company Policy explicitly prohibits sexual harassment and harassment of any nature in the workplace.

Examples of conduct that, in addition to being offensive to others, are a violation of Company Policy include, but are not limited to:

- Sexual comments or innuendos, telling jokes or stories that may cause embarrassment to others.
- Asking questions about social or sex life.

- Telling lies or spreading rumors about a person's personal sex life.
- Making sexual comments about a person's body.
- Turning work discussions into sexual topics.
- Looking a person up and down; standing too close.
- Staring repeatedly at someone.
- Giving unwanted gifts and/or materials of a sexual nature.
- Sexual gestures, kissing sounds, or massages.
- Verbal comments, jokes, posters, cartoons or handouts which depict men, women or members of minority groups or other protected basis, in a less than businesslike manner.

The policy applies to all phases of the employment relationship including recruitment, testing, hiring, upgrading, promotion, demotion, transfer, layoff, termination, and rates of pay, benefits, and selection for training.

Herzog takes its equal employment opportunity obligations very seriously, and shall make every effort to prevent misconduct on the job. This includes sexual harassment or any other type of employee harassment by coworkers, subordinate employees, or supervisors. Any employee found to have acted in violation of this policy shall be subject to appropriate disciplinary action based on the circumstances and reasonably believed by management to eliminate further harassment, including but not limited to warnings, reprimand, suspension, or immediate discharge.

Employees that are subjected to, or are witness to, unlawful harassment must immediately report such conduct to their immediate supervisor, area superintendent, project manager, division EEO officer, or Vice President.

Alan Landes is the Equal Employment Opportunity Officer for the HERZOG COMPANIES and has full responsibility to receive, investigate, and resolve complaints involving violations of the policies stated herein, and to recommend to management imposing an appropriate sanction against violators. Mr. Landes' address and telephone number are: P.O. Box 1089, St. Joseph, MO 64502, (816) 233-9001.

At a minimum, when an employee complains about harassment, the EEO Officer shall:

- Fully inform the employee of his or her rights to complain and redress the harassment; the employee must be informed of his or her own obligations to secure his or her rights and of any assistance available to him or her under Herzog's operating procedures.
- Immediately conduct a thorough, objective and complete investigation of the alleged harassment. The EEO Officer shall make a determination about whether unlawful harassment has occurred, and communicate this finding to the harasser/alleged harasser and any other concerned party.
- Take prompt and effective remedial action if harassment has occurred. The action must be commensurate with the severity of the offense and may be made known to the victim.