

The logo for HomeServices of America, INC. is displayed in a yellow serif font against a black rectangular background. The text reads "HomeServices of America, INC." with a trademark symbol (TM) at the end.

HomeServices of America, INC.TM

A Berkshire Hathaway Affiliate

Berkshire Hathaway HomeServices Real Estate Professionals Interim Human Resources Policy*

July 2016

*Effective July 25, 2016 this abridged HomeServices HR Policy applies to Berkshire Hathaway HomeServices Real Estate Professionals employees. In the event of a specific local, state or federal law is in conflict with HomeServices HR Policy, the applicable law will always prevail. Any reference to Paid Time Off (PTO) in HomeServices HR Policy will be administered based on Berkshire Hathaway HomeServices Real Estate Professionals paid time off (vacation, sick, and holiday) guidelines. Effective January 1, 2017, the HomeServices HR Policy will supersede all Berkshire Hathaway HomeServices Real Estate Professionals HR Policies.

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Introduction

Issued: January 2013

The HomeServices of America, Inc. Human Resources Policy, referred to as the HR Policy or as the HomeServices HR Policy, provides a ready reference to the specific policies, procedures and benefits of our company. It guides employees in understanding their roles, responsibilities and requirements as an employee. Refer to it to answer questions. If you do not find the answer, or if the answer seems unclear, your supervisor or the human resources department will help you find the answer. In any situation concerning insurance or other employee benefits, the terms of the insurance policy or benefit plan text are controlling, irrespective of any statements contained in HR Policy. All references to HomeServices or the “company” contained in the policy mean HomeServices of America, Inc. and its subsidiaries.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change or revoke these policies at any time, with or without notice, with the exception that the company will provide notice prior to a change to the Arbitration Policy.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Administration of Policy

Updated: January 2013

The HomeServices of America, Inc. Human Resources Policy, referred to as the HR Policy or as the HomeServices HR Policy, is applicable to all operations in the domestic United States. All reference to HomeServices or the “company” contained in the policy mean HomeServices of America, Inc. and its subsidiaries.

In the event a specific local, state or federal law is in conflict with the HomeServices HR Policy, the applicable law will always prevail.

Each department and subsidiary will also have operating guidelines to communicate specific instructions related to the department or subsidiary business operations. All policies maintained in the department and subsidiary must conform to the guidelines outlined in HomeServices HR Policy; however, individual procedures may be tailored to meet operating needs.

All members of management have a responsibility to support and comply with HomeServices HR Policy as applicable to their area of responsibility. Where questions arise about a policy, or where there is disagreement over the application of a policy, the HomeServices vice president, human resources will resolve the matter in conjunction with executive management. At no time are members of management permitted to deviate from established policy without approval.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Revision of Policy

Updated: April 2014

The company reserves the right to add to, delete, change, or revoke human resources policies at any time, with or without notice. Human resources policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

New policy topics or revisions to existing policies can be proposed by submitting them to the HomeServices vice president, human resources. Changes to HomeServices HR Policy require appropriate authorization from Berkshire Hathaway Energy.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Employment

Updated: December 2014

It is the policy of the company to offer employment based upon individual merit, qualifications and competency. The administration of all employment related practices is not influenced or affected by an individual's race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, disability, protected veteran status, marital status, or any other category protected by U.S. federal, state, or local law.

Employee recruitment and selection are critical management functions that directly impact a department's ability to meet its objectives, including the quantity and quality of work in the department and the equal employment opportunity requirements of the company. As a result, all employment related activities are to be approved, coordinated and processed through the human resources department including decisions regarding staffing needs, use of external recruiters or employment agencies, job posting, advertising, interviewing, candidate evaluation and selection.

Interested candidates must submit a resume or job application to the specific job.

Any offer of employment is contingent upon receipt of acceptable references and background check. Background checks, to the extent permitted by law, may include an examination of motor vehicle records, criminal history, credit, Social Security check, as well as verification of education, licenses or certifications, references and prior employment verification. A candidate's refusal to submit to the company's background checks or testing procedures will be considered a voluntary withdrawal of the application for employment.

Where possible, it is company policy to allow existing qualified employees the first opportunity for new job assignments. Management reserves the right to waive the posting requirement for individual positions. Employees may contact their local human resources representative for a current list of posted employment opportunities.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Employment Applications

Updated: January 2013

All applicants for employment are required to complete a written application on an approved job application form. Resumes may be submitted provided they are received in response to a solicitation. However, if a personal interview is conducted with an applicant regarding a specific opening, an approved application form must be completed and filed with the human resources department. All resumes, solicited or not, become the property of the company.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Employment At-Will

Updated: April 2010

Company employees are employed for indefinite terms. This employment relationship is known as employment at-will. Under this employment relationship, employees may resign at any time and HomeServices has the right to terminate an employee's employment at any time without restrictions. Any contract of employment must have advance approval, in writing, by the HomeServices board of directors' compensation committee.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Arbitration of Claims

Updated: January 2013

With an open door philosophy, our organization is optimistic that differences between employees and the company will be successfully worked out, balancing business or team needs with individual needs. However, if any claim, controversy or dispute arises with the company arising out of or related to an employee's employment or termination of employment, it will be submitted for arbitration and resolution (unless prohibited by law) exclusively to an arbitrator, except that any arbitration decisions may be enforced by court order. This policy to arbitrate shall not be construed to prevent or excuse employee from utilizing the company's existing internal procedures for resolution of complaints, and this policy is not intended to be a substitute for the utilization of such procedures.

Except as otherwise provided in this policy, arbitration is intended to be the exclusive remedy for the resolution of all disputes that otherwise would be resolved in a court of law. Such disputes include without limitation disputes arising out of or relating to interpretation or application of this policy, but not as to the enforceability, revocability or validity of the policy or any portion of the policy. The policy also applies, without limitation, to disputes regarding the employment relationship, trade secrets, unfair competition, compensation, breaks and rest periods, termination, or harassment and claims arising under the Uniform Trade Secrets Act, Civil Rights Act of 1964, Americans With Disabilities Act, Age Discrimination in Employment Act, Family Medical Leave Act, Fair Labor Standards Act, Employee Retirement Income Security Act, Genetic Information Non-Discrimination Act, and all state statutes, if any, addressing the same or similar subject matters, and all other state statutory and common law claims. Notwithstanding anything herein to the contrary, this policy does not apply to any disputes relating to a noncompetition, nonsolicitation or confidentiality obligation as those may be enforced in a court of law having jurisdiction over the matter.

Any claims or disputes with company are required to be brought in an individual capacity, and not as a plaintiff or class member in any purported class or representative proceeding. Claims may be brought before an administrative agency but only to the extent applicable law permits access to such an agency notwithstanding the existence of an agreement to arbitrate.

The company will pay all filing and hearing fees for any dispute an employee files against the company. Each party will pay the fees for his, her or its own attorneys, subject to any remedies to which that party may later be entitled under applicable law.

Each arbitration will be governed by the provisions of the Federal Arbitration Act (9 U.S.C. Sec. 1 et seq.) and conducted under the rules and procedures of the American Arbitration Association. The arbitrator's award shall be final, binding and confidential.

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Employment of Relatives

Updated: April 2010

It is company policy that all individuals have an equal opportunity for career advancement without fear of favoritism or penalty, actual or implied.

Hiring relatives for positions within the company requires prior approval from the HomeServices corporate human resources department and the HomeServices board of director's compensation committee. After hire, advance approval is also required for status changes such as changes in pay or position.

For the purposes of this policy, a relative is defined to include spouse, parents, children, brothers, sisters, cousins, uncles, aunts, nephews, nieces, in-laws, stepparents, stepbrothers, stepsisters and stepchildren. This policy also applies to individuals who live together in a common-law relationship.

Supervisors, managers or executives of the company shall not employ a relative to work directly under his or her jurisdiction. If already employed, relatives cannot be transferred into such a reporting relationship. If a relationship, such as that referenced above, is established after employment, management will decide within 30 days who is to be transferred given the circumstances and available openings. In other cases where a conflict or the potential for conflict arises, even if there is not a supervisory relationship involved, the parties may be transferred to another position or terminated from employment depending on the severity of the conflict.

This policy is not to be construed to mean that relatives cannot work in various levels throughout the company.

This policy does not apply to temporary employees. Advance approval, however, is required to change a relative from temporary to regular status.

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Equal Employment Opportunity

Updated: April 2014

It is the company's policy to provide and promote equal employment opportunity to all employees and applicants for employment in accordance with all local, state and federal laws and regulations governing personnel activities. The company will:

- Provide equal employment and promotional opportunities to all qualified applicants and employees based upon their abilities, achievements and experience without regard to race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, physical or mental disability, disabled veteran, Vietnam era veteran status, marital status, other non-job related characteristics or any other category protected by U.S. federal, state or local law.
- Ensure that all personnel practices such as recruitment, selection, training, promotion, compensation, benefits, transfers, layoffs, terminations, and participation in the company's sponsored programs are administered in a manner which furthers the principle of equal employment opportunity.
- Encourage, counsel and assist employees in matters relating to on-the-job performance and promotional opportunities.

Responsibility for the company's equal employment opportunity (EEO) program has been assigned to the vice president, employee, labor relations and HR compliance, Berkshire Hathaway Energy. Each member of management is responsible for ensuring compliance with the program. Human resources will coordinate and monitor all equal employment opportunity activities.

If any employee believes he or she has been discriminated against or desires further information or assistance, the employee should contact their manager or human resources immediately.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Offers of Employment

Updated: April 2010

In order to ensure consistent employment practices and to assist in compliance with various federal regulations, all offers of employment must be in conformance to an approved personnel requisition and be reviewed and approved in advance by the human resources department.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Promotions, Transfers and Job Reassignment

Updated: April 2010

The purpose of this policy is to provide a method to fill open positions within the company.

The company believes in posting open positions. Sometimes business necessity requires that a position not be posted. The human resources department coordinates the posting of open positions.

All positions must have a position requisition form completed before the posting, job offer or transfer process may begin.

An employee may apply for more than one position at a time. To be eligible to apply, an employee must:

- Have been in their current position for a minimum of six months, or notified that they are part of a reduction in workforce. This requirement may be waived at management's discretion.
- Meet the minimum requirements listed on the job posting to be considered a qualified candidate.
- Submit a resume or internal application form by the due date to the human resources department.

An employee may be reassigned to a position with a lower pay range with the approval of human resources. Where this occurs, a corresponding reduction in base pay may be scheduled to bring the base pay of the employee within the salary range of the position assigned.

All exceptions to this policy must be reviewed and approved in advance by the HomeServices corporate human resources department.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Reference and Background Checks

Updated: January 2013

The company believes that hiring qualified individuals to fill positions contributes to the overall strategic success of the company. Reference and background checks serve as an important part of the employment process. This type of information is collected as a means of promoting a safe work environment for current and future employees.

The company will check references and verify identity and eligibility to work in the United States. Background checks will be conducted as part of the selection process for some positions and may include an examination of motor vehicle records, criminal history, credit, social security number and identity verification, as well as verification of education, licenses or certifications, prior employment, and other categories as deemed necessary, to the extent permitted by law. The company will ensure that all background checks are conducted in compliance with applicable federal, state and local statutes, such as the Fair Credit Reporting Act. Any offer of employment is contingent upon satisfactory completion of reference and background checks.

Background checks may also be conducted on existing employees at any time during the course of employment as permitted by law.

Refusal to submit to company reference or background check procedures will be considered a voluntary withdrawal of the application for employment, or grounds for termination of employment. In the event that inaccurate or false information is provided by a job candidate or employee, the company reserves the right to take appropriate action, including termination of employment, based upon the circumstances.

All information obtained from the reference and background check process will be kept strictly confidential, and will only be shared with those who need to know this information to perform their job functions, or as required by law or regulation.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Confidentiality of Employee Information

Updated: April 2010

The company collects and maintains a range of information about individual company employees. All such information, even information not normally thought to be of a sensitive or confidential nature, will be made available strictly on a need-to-know basis.

Employee information is retained in secure custody to ensure access is controlled and limited to authorized users. The human resources department is the designated custodian of all employee information. However, all managers, supervisors, and other company employees, or company representatives who have access to, work with, compile or maintain any information about individual employees are responsible for protecting the confidentiality of that information.

Internal access to employee information is restricted to those company employees who require the information to fulfill their job responsibilities. Managers normally have access to information only about employees under their direction. Except for court orders and written inquiries by government agencies, only limited data may be released with or without the written consent of the employee.

When responding to written or oral requests for employee information the following guidelines should be used:

- Any external requests for information related to a current or former employee should immediately be referred to the legal department, the human resources department, or the company's designated third party employment verification service. No other employee or representative of the company is authorized to provide any information about current or former employees.
- In response to legitimate inquiries, the human resources department is authorized to release dates of employment and job titles.
- Written authorization by employees and former employees is required to release salary and any other information outside of the company, except in response to a subpoena or other lawful process.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Discrimination and Harassment Policy and Guidelines

Updated: December 2014

Policy Statement

Every employee has the right to work in an environment free of harassment and discrimination. Such conduct does not advance the purposes of the company and may violate laws where the company conducts business.

It is the policy of the company to administer employment practices without regard to race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, disability, protected veteran status, marital status, or any other category protected by U.S. federal, state, or local law. Discrimination or harassment of an employee because he or she is a member of or affiliated with a member of any of the foregoing protected groups is prohibited and will not be tolerated. In addition, sexual harassment or harassment as defined by this policy is prohibited and will not be tolerated.

As a matter of policy, the company will not tolerate any individual engaging in verbal, physical or other conduct that has the purpose or effect of unreasonably interfering with a person's work performance or creates an intimidating, hostile or offensive work environment. Any employee who violates this policy by engaging in harassment or discrimination will be subject to disciplinary action, up to and including termination of employment.

Application of the Policy

This policy applies to all work locations within the U.S. and to all U.S. citizens who are employees of the company.

This policy also applies to all employees in their interaction with nonemployees, as customers, sales associates, vendors or the general public. This policy applies during work and nonworking hours when the employee is being reimbursed by the company for time and expenses. Examples include attending seminars or training where participation is a result of your employment.

GUIDELINES

Harassment is generally defined as verbal, written or physical conduct that degrades or shows hostility or dislike toward an individual because of his or her race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, disability, protected veteran status, marital status, or any other category protected by U.S. federal, state, or local law. Harassment in violation of the company's policy may occur when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of employment.
- Submission to or rejection of such conduct by an employee is used as a basis for employment decisions such as promotion, assignment, demotion, discipline or termination of employment.
- Such conduct has the purpose or effect of creating an intimidating, hostile or offensive working environment by unreasonably interfering with an employee's work performance or otherwise adversely affecting an individual's employment opportunities.

Depending on the circumstances, harassment may include, but is not limited to:

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

- **Verbal harassment:** Examples include certain descriptions, slurs, negative stereotyping, jokes, pranks, or other threatening, intimidating or hostile acts that relate to race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, disability, protected veteran status, marital status, or any other category protected by U.S. federal, state, or local law.
- **Written harassment:** Examples of written harassment include certain unwelcome poems, letters, cartoons, or other visual or physical renderings that denigrate or show hostility or dislike toward an individual or group because of race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, disability, protected veteran status, marital status, or any other category protected by U.S. federal, state, or local law that are placed on walls, bulletin boards, email, Internet, intranet, or elsewhere on the company's premises/property or circulated in the workplace.
- **Physical harassment:** Examples include unwelcome gestures, touching, impeding movement, or other threatening, intimidating, hostile or offensive contact directed toward an individual because of race, color, religion, age, national origin, citizenship status (except as required by law), gender, gender identity, sex, sexual orientation, genetic information, disability, protected veteran status, marital status, or any other category protected by U.S. federal, state, or local law.

SEXUAL HARASSMENT

Sexual harassment may include unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature where:

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

Sexual harassment can occur between members of the same sex, and the victim as well as the harasser may be a woman or a man. The harasser may be a co-worker, a manager in an employee's work unit or another unit, or someone who is not an employee who is encountered in the course of work for the company.

RACIAL HARASSMENT

Racial harassment consists of unwelcome verbal, physical or other conduct of a racial character, or with racial connotations, having the purpose or effect of unreasonably interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

Racial harassment, like sexual harassment, is a form of employee misconduct the company will not tolerate. No form of unlawful harassment has any place at the company.

Employees should be aware that the issue of whether conduct constitutes harassment or discriminatory conduct might depend on how the conduct is viewed by the employee who is subjected to the conduct. Any employee who initiates or persists in this prohibited conduct assumes the risk of violating this policy. In the event the person who is the object of the conduct views it as offensive, the employee who initiated the offensive behavior may be subject to discipline even if the conduct might not have been intended as offensive.

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INTERNAL COMPLAINT PROCEDURE

Filing a Complaint – Employee Responsibility

The first step for an employee who believes he or she has been subjected to or exposed to any discrimination or harassment in the workplace should always be to tell the individual engaging in such behavior the behavior is improper or offensive and it must stop. A report of the behavior should also be made to his or her manager. If an employee is uncomfortable approaching the offending individual, or if the conduct continues and the employee would like the company to investigate the problem, he or she should immediately contact his or her manager or a human resources representative. Similarly, employees who suspect unlawful harassment or discrimination is occurring or who want to report an incident of an unfair employment practice should immediately contact his or her manager or a human resources representative.

If the employee is not comfortable dealing with his or her manager or human resources representative in his or her area, the HomeServices corporate human resources department may be contacted at 612-336-5151 or toll-free 888-630-9076. Alternately, an internal EEO complaint form may be used to report the situation to Human Resources, HomeServices of America, Inc., 333 South 7th Street, 27th Floor, Minneapolis, Minnesota 55402, or to Vice President, Safety, Employee and Labor Relations, P.O. Box 657, Des Moines, IA 50306-0657.

The internal EEO complaint forms are available to all employees who want to make a complaint of prohibited or unlawful harassment or discriminatory treatment. Employees are strongly encouraged to use the internal EEO complaint form to describe the objectionable conduct thoroughly.

Employees can obtain an internal EEO complaint form from a human resources representative in their area or the HomeServices corporate human resources department.

If the situation is severe or the employee fears possible physical injury, the employee should immediately contact his or her manager or a human resources representative.

Manager Responsibility

It is imperative that all managers at all company locations conduct themselves in accordance with this policy. Each manager is responsible for ensuring employees comply with this policy. The company will enforce this policy against any individual engaging in prohibited or unlawful harassment or discriminatory conduct and against management personnel who knowingly allow such behavior to continue.

Managers must take timely and appropriate action when they know – or have reason to know – behavior which might amount to prohibited or illegal harassment or discrimination is occurring. In addition, all employees, including managers, are prohibited from retaliating against employees for filing a complaint in good faith or for participating in good faith in an internal EEO investigation.

COMPLAINT INVESTIGATION AND RESOLUTION

All complaints made according to these procedures, verbal or written, will be investigated. If the investigation determines the allegations are true, discipline, up to and including termination of employment may be imposed on the offending party. The company will provide written notification to the complainant, the alleged harasser and any other person who has a need to know of the disposition of the complaint.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Review

Either the complainant or alleged harasser may request a review of a completed investigation by writing to the Vice President Human Resources, 333 South 7th Street, 27th Floor, Minneapolis, MN 55402. A review may also be requested by writing to the Vice President, Safety, Employee and Labor Relations, Berkshire Hathaway Energy, P.O. Box 657, Des Moines, IA 50306-0657. The request should specify the complainant's name, the alleged offender's name and the reasons for the review.

Confidentiality

The company will take all necessary steps to protect the integrity of its investigations. The company's intent is to protect witnesses from harassment, intimidation and retaliation, to keep evidence from being hidden, altered or destroyed, and to ensure that testimony is not fabricated. The company may decide in some circumstances that in order to achieve these objectives, employees must maintain the investigation and their role in it in strict confidence. If the company reasonably imposes such a requirement and an employee does not maintain such confidentiality, the employee may be subject to disciplinary action up to and including termination of employment.

Retaliation

Retaliation against any person who complains of or participates in the investigation of a harassment or discrimination complaint is prohibited. Where the company finds retaliation has occurred, individuals who engaged in the retaliatory behavior may be subject to discipline, up to and including termination of employment regardless of whether the original complaint is substantiated.

False Claims

The company takes all allegations of harassment and discrimination seriously. If the company determines an individual has misused the process by intentionally filing a false charge of discrimination or harassment, he or she may be subject to discipline, up to and including termination of employment.

Distribution

This statement shall be published annually through internal company communications and shall be posted at each of the company's U.S. work locations. This statement and the employee EEO complaint form shall be available to employees from their managers, the intranet, or their human resources representative.

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Dress Code and Personal Grooming

Updated: January 2013

All employees are expected to dress in a business-like, professional manner. Appearance is a direct reflection of the company; therefore, there are times when what is considered fashionable will not be considered appropriate or acceptable in the workplace. Subsidiary executive management has the discretion to determine the appropriate dress code for the subsidiary or for individual departments. The primary objective is to project a professional image while recognizing the practical implications of the work being done.

Traditional business attire remains the favored option in office environments; however, management will determine the frequency and application of approved casual business attire.

Personal grooming, attire and general hygiene must be neat, in good taste and in conformity with applicable departmental and work area standards. Departure from conventional dress, personal grooming or hygiene standards is not permitted.

All employees are encouraged to ask questions in advance about what is acceptable business attire. In the unlikely event an employee reports to work in inappropriate attire, they may be sent home to change and will not be paid for missed time.

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Driving

Updated: January 2013

Purpose

Vehicle accidents can be costly from the standpoint of personal injury, lost working time and vehicle repair. This policy applies to and establishes minimum qualifications and guidelines for employees who drive company owned, leased or rented vehicles or personal vehicles for business purposes.

Driver Qualifications

An employee may operate company owned, rented or leased vehicles, or personal vehicles on behalf of the company only if he or she is:

- Acting at the direction and with the explicit permission of the company.
- Age 18 or older, subject to additional specific age or other requirements of rental or leasing agencies.
- A holder of a single valid driver's license.
- A holder of a valid license for the class of vehicle to be driven.
- Otherwise qualified under federal and state regulations to hold a license and to drive the vehicle in question.

An employee who holds a position which requires these driver qualifications is required to immediately report any temporary or permanent loss of driver qualifications to his or her supervisor. The company may request proof of a valid driver's license at any time.

Criminal Record, Driving Record Check, License Verification

Applicants for employment who will be required to drive a motor vehicle as a part of their employment shall authorize the company to conduct a background record check into the applicant's criminal record and driving records/motor vehicle records and to verify that he or she possesses a valid driver's license from his or her state of residence.

At any time during the course of an employee's employment, background checks including but not limited to, verification of current criminal records, driving records/motor vehicle records, and driver's license status, may be conducted by the company or the company's insurance carrier. Employees are required to provide any information, documents, or authorizations requested by the company in order to perform criminal record, driving record and license verification checks.

Training/Education

Throughout the course of employment, and at the company's discretion, any employee required to drive a motor vehicle as a part of their employment may be required to participate in safe driving courses or education.

Insurance Coverage

- Proof of current insurance coverage must be carried in all vehicles. For rented or leased vehicles, the rental contract serves as an agreement with the vehicle owner establishing who is responsible for insurance.

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- If operating a personal vehicle while on company business, the company may request the employee to produce proof of insurance with minimum limits of coverage as required by the state. The company may also require an employee to carry and provide proof of additional insurance beyond state required minimums or to name the company as an additional insured if necessitated by company business insurance requirements.
- Citations, convictions or traffic violations issued to an employee for vehicular moving violations at any time, whether on or off of work hours, may affect eligibility for coverage by the company's insurance carrier. If an employee whose position requires driving becomes ineligible to be covered by the company's insurance carrier or loses personal insurance coverage, reassignment or termination of employment may occur.

Primary Insurance Coverage

At all times when operating an employee's personal vehicle while on company business, the employee's personal insurance policy is primary. Any applicable company insurance policy is considered excess insurance. The employee is responsible for covering a personal insurance deductible if involved in a vehicle accident while driving a personal vehicle on company business.

Reporting Accidents

Employees are required to immediately report to their supervisor all accidents that involve a company-owned, leased or rented vehicle. Employees are also required to immediately report to their supervisor all vehicle accidents in which they are involved if they are operating a personal vehicle while on company business. Employees are responsible for reporting the accident to their auto insurer as well as reporting the accident to the company.

Notice of Citation, Arrest or Conviction

Employees shall report to their supervisor, within 24 hours, any citation, arrest or conviction of traffic violations issued to them while operating a company owned, leased or rented vehicle. Such incidents that occur while operating a personal vehicle while on company business must also be reported as noted above.

Compliance with Law

All employees who operate a vehicle for company business are required to obey all federal, state and local traffic laws and requirements including the use of seat belts and proof of insurance.

Driving While Intoxicated

An employee convicted of driving any vehicle under the influence during the course of employment, or at any time while operating a company owned, leased or rented vehicle, may be subject to disciplinary action, up to and including termination of employment.

Discipline

All employees who drive vehicles in the course of their employment are expected to comply with this policy, use good judgment, and act in accordance with all safety rules, company-issued driving guidelines, traffic rules or other regulations that are designed to help avoid accidents. Employees failing to do so may be subject to disciplinary action, up to and including termination of employment.

When an investigation reveals that an employee violated this policy or other related rules, operated a vehicle in a careless fashion or otherwise demonstrated poor judgment, the supervisor will consult human resources to assist in determining an appropriate response. Please note the following:

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- Temporary or permanent loss of driver qualifications may result in reassignment or termination of employment.
- In some instances, a supervisor may require an employee to successfully complete a defensive driving course outside normal working hours before allowing the individual to return to driving a company vehicle.
- Failure to cooperate in an accident investigation or providing false and/or misleading information during such investigation is grounds for immediate termination of employment.
- If an employee fails to report a violation on their driving record as required by this policy, the employee will be considered in violation of company policy and may be subject to disciplinary action, up to and including termination of employment.
- Failure to immediately report an accident or report temporary or permanent loss of driver qualifications as required by this policy will be considered a violation of company policy and may result in disciplinary action, up to and including termination of employment.

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Drug and Alcohol Abuse Prevention Policy

Updated: March 2016

Purpose

The company is committed to providing a safe and productive work environment for all employees. As part of this commitment, it is essential that the company maintain a workplace free from the effects of alcohol and illegal drug use. Employee involvement with alcohol and other drugs can be disruptive, adversely affect the quality of work and performance of employees, pose serious health risks to users and others, and have a negative impact on productivity, morale or the company's reputation in the community.

Scope

This policy applies to all employees of the company. The company intends to comply with all local, state and federal laws concerning illegal drug activity and alcohol abuse. It is intended to apply whenever anyone is representing or conducting business for the company. Therefore, this policy applies during all working hours, whenever conducting business or representing the company and at all times while on company property.

Prohibited Behavior

Employees are prohibited from using, possessing, manufacturing, dispensing, transferring, selling, purchasing or being under the influence of any illegal drug or alcohol at any time while working, whenever conducting business or representing the company, and at all times on company property, including while in company-supplied vehicles. This prohibition includes unauthorized drugs or possession of drug paraphernalia. Alcohol use, which could have an adverse effect on an employee's job performance or which could jeopardize the safety of other employees, the public or the company's reputation in the community, will not be tolerated. However, the use of alcohol at company-sponsored events is acceptable, provided such use is approved in advance by a vice president of the company.

Drug and Alcohol Awareness

The company promotes drug and alcohol abuse awareness to assist employees in understanding and avoiding the risks of drug and alcohol misuse. This goal will be met through an ongoing educational effort to prevent and eliminate substance abuse by informing employees about: the company's Drug and Alcohol Abuse Prevention Policy, the availability of treatment and counseling for employees who voluntarily seek such assistance, and the sanctions the company will impose for violations of its policy.

Employee Assistance Program

The decision to seek assistance and accept treatment for substance abuse is first and foremost the employee's responsibility. To assist employees in obtaining early voluntary treatment, the company provides an employee assistance program (EAP), which offers confidential assessment and referral for professional counseling and treatment. Contact information for the EAP is found in HR Self Service or can be obtained from human resources. The company also provides a health care plan that may help to defray the costs of treatment for enrolled participants.

Employee Voluntary Disclosure

Employees are encouraged to voluntarily seek help with alcohol and/or drug problems before being confronted, tested or otherwise involved in drug and/or alcohol related discipline or proceedings. Any employee who voluntarily seeks help for an alcohol and/or drug abuse problem will be offered assistance without jeopardizing continued employment. However, employees who engage in misconduct prior to seeking assistance may not avoid the consequences of violating rules and regulations because they seek rehabilitation treatment. Employees undergoing substance abuse treatment must continue to meet all job requirements when they are at work.

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Testing

Managers and supervisors have the authority to require any employee to undergo drug and alcohol testing, as a condition of continued employment, where the employee appears by their physical behavior and actions to be under the influence and unfit for work. Employees may also be required to submit to testing if involved in an accident involving themselves, co-workers or company equipment. Testing will also be required following rehabilitation before returning to duty. Before any testing may be ordered, however, the supervisor must follow company procedures that are designed to verify there is reasonable suspicion to require testing. The company shall investigate all cases of suspected drug or alcohol use on the job and take appropriate action. The company reserves the right to make "fitness for duty" determinations without the use of drug or alcohol tests.

To ensure the accuracy and fairness of the testing program, all testing will be conducted according to the Department of Health and Human Services/Substance Abuse and Mental Health Services Administration (DHHS/SAMHSA) guidelines where applicable, and will include the following:

- A screening test
- A confirmation test
- The opportunity for a split sample
- Review by a Medical Review Officer, including the opportunity for employees who test positive to provide a legitimate medical explanation, such as a physician's prescription, for the positive result.

The substances that will be tested for are cocaine, phencyclidine (PCP), opiates, amphetamines, and cannabinoids (marijuana), and alcohol. HomeServices of America reserves the right to test for other controlled substances as necessary.

Testing for the presence of drug metabolites will be conducted by the analysis of urine. Testing for the presence of alcohol will be conducted by analysis of breath. An alcohol reading of 0.04 grams of alcohol per 210 liters of breath or greater is considered a positive test and a violation of company policy.

Refusal or Adulteration of Test

An employee will be presumed to test positive if he/she refuses to submit to testing, adulterates or dilutes the specimen, substitutes the specimen with that from another person or sends an imposter, will not sign the required forms or refuses to cooperate in the testing process in such a way that prevents completion of the test.

Authorized Use of Prescribed Medicine

Employees taking prescribed medical treatment or over the counter medication of any drug which may alter their behavior or physical or mental ability at work must report this treatment to the company's third party medical review officer (MRO), who will assess whether the company should temporarily change the employee's job assignment during the period of treatment. If temporary reassignment or light duty work is unavailable, the employee may be required to apply for short-term disability or use paid time off (PTO) time provided the employee meets the eligibility requirements of the applicable plan. Contact human resources to obtain the current contact information for the MRO.

Employees are encouraged to keep all prescribed medicine in its original container which identifies the drug, date of prescription and prescribing doctor.

In Case of a Negative Test Result

If the initial test result of the drug and/or alcohol test is negative and any confirmatory test result is negative, the employee is considered to have satisfactorily completed the drug and/or alcohol test and is able to return to work. Performance, conduct and/or attendance issues may still be addressed and disciplinary action, up to and including termination of employment, may be taken based on these issues.

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Consequences for Violations of Policy

If the testing result is positive the employee may be subject to undergo and successfully complete a rehabilitation program. Depending upon the circumstances the employee may also be subject to disciplinary action up to and including termination of employment. An employee required to enter rehabilitation that fails to successfully complete it and/or repeatedly violates the policy will be terminated from employment.

The policy does not prohibit the employee from being disciplined or discharged for other violations and/or performance problems.

Return to Work Agreement

Employees who successfully complete rehabilitation may be required to sign and abide by the terms set forth in a return-to-work agreement as a condition of continued employment.

Notification

The company will provide an employee with a copy and an opportunity to read the Drug and Alcohol Abuse Prevention Policy before requesting or requiring an employee to undergo drug and/or alcohol testing.

The company will notify the employee in writing of a confirmed positive test result. An employee has the right to request a confirmatory retest of the urine sample to be conducted at an approved laboratory of their choice at the employee's expense. If the result of the confirmatory test is positive, an employee has the right to explain in a confidential setting the reasons for the positive test. Any employee wishing to exercise these rights must do so within three (3) working days after notification.

Confidentiality

All circumstances surrounding the testing process will be held strictly confidential. The fact that an employee has been required to take a drug and/or alcohol test shall not be disclosed to individuals inside or outside of the organization without the employee's consent, except to those who need to know this information to perform their job functions, or as required by law or regulation.

Conviction Under Criminal Drug Statute and/or Loss of Driver Qualifications

Employees must provide written notification to their immediate supervisor within five days of any criminal conviction of a state or federal drug statute, and for temporary or permanent loss of driver qualifications.

Right to Inspect

The company reserves the right to inspect the property and person of any individual or vehicle on company property. This right includes, but is not limited to, the inspection of vehicles, parcels, packages, purses, lunch boxes, briefcases, lockers, workstations and desks.

Supervisor Training

The company will instruct supervisors on how to identify and document on-the-job behavior that may indicate an employee is unfit to work due to the use of drugs and/or alcohol. Designated employees will also be trained on drug and alcohol testing procedures. Any applicable state training requirements will be met.

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Life Threatening Illnesses

Updated: April 2010

The company is committed to maintaining a safe and healthy workplace. The company will make reasonable accommodation for any employee who has a life-threatening illness or communicable disease, so long as medical evidence shows that continued employment does not present a health or safety risk to the employee, customers, sales associates or other employees. In addition, reasonable accommodation will be made only where the affected employee remains able to perform the essential functions of his or her job.

If a physician determines that the employee is a health risk or unable to perform the job, even with a reasonable accommodation, the employee may be placed on short-term disability or family medical leave of absence (FMLA) provided the employee meets the eligibility requirements of the applicable plan. If the employee is not eligible for such benefits or no accommodation can be made, the employee's employment may be terminated.

If an employee has a contagious disease (such as infectious hepatitis, chicken pox, the flu) there will be times where contact with others is not appropriate. In these cases, employees may be able to use paid time off, short-term disability and/or may qualify for a family medical leave of absence (FMLA).

The company expects all employees to be supportive and cooperative with co-workers whose current health condition may be impaired, but who are medically authorized to work. No special consideration is given to employees who feel threatened by a co-worker's health condition where medical evidence shows continued employment of the co-worker does not present a health or safety risk to themselves or others.

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No Expectation of Privacy

Updated: April 2010

The company is the owner or lessee of all company work facilities, furniture, equipment, vehicles and work materials. The company has a significant financial investment in its workplace facilities, proprietary and intellectual property, work product and customer and business partner relationships. The company has a need to protect and preserve this investment. Employees' privacy interests may be outweighed by the company's interest in the productivity and well-being of the workplace and preserving the security of its premises.

All company employees and contractors, by agreeing to work for the company or coming into company facilities and premises, acknowledge and accept they have no expectation of privacy in or on any company facility or premises, including company parking lots. Excepted from this policy is personal medical information which may be contained in employee benefit records. In such instance, the confidentiality of personal medical information will be maintained in accordance with all applicable laws and regulations.

Monitoring of company communications equipment and equipment records, including, but not limited to, computers, telephones, cellular telephones, fax machines, CB radios and the like, and searches of persons or items brought into company facilities, office work cubicles, furniture, employee lockers, work equipment and vehicles on its leased or owned property may be conducted at any time, with or without cause or additional prior notice.

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Social Media

Updated: December 2014

The company formally participates in social media through authorized corporate channels. Any content added to corporate-hosted social media sites must be done under the guidance of the department assigned to manage the sites, typically the communications and/or public affairs and/or marketing department. Only employees designated by the company have the authority to speak on behalf of the company in these media.

The company recognizes that some employees may wish to participate in various forms of social media on an individual basis. This policy applies to social media use by employees for work-related purposes and personal use of social media when the employee's affiliation with the company (or its parent, subsidiary or any affiliate corporation or entity) is identified, known or presumed, other than as an incidental mention of place of employment in personal social media activity. This policy applies to social media activity when on or off duty, while using company-owned or personal electronic resources, and whether or not the employee posts anonymously or uses a pseudonym. Employees engaged in social media activity are required to comply with this Social Media Policy, the guidelines established in the Berkshire Hathaway Energy Code of Business Conduct, the Discrimination and Harassment Policy and Guidelines, and any relevant department, company or industry-specific guidelines, policies and procedures.

Social media includes but is not limited to:

- Social networking sites (e.g., Facebook, LinkedIn, Google Hangouts)
- Video and photo sharing websites (e.g., Flickr, YouTube, Instagram)
- Micro-blogging sites (e.g., Twitter, Tumblr)
- Forums and discussion boards (e.g., Reddit, Yahoo! Groups, Google groups)

Guidelines for use:

When engaging in social media whether inside and outside the company, the company has specific expectations of your conduct and the information you share:

- Employees are expected to know company and their specific industry-related principles, rules and policies before engaging in social media.
- Unless you are an officially designated company spokesperson, you are not authorized to speak on behalf of the company (or its parent, subsidiary or any affiliate corporation or entities) through social media channels.
- If you are not an official spokesperson, express only your personal opinions. If the company (or its parent, subsidiary or any affiliate corporation or entities) is a subject of the content you are creating, be clear and open about the fact that you are an employee, and if it is not obvious from the content or context of your posts, make it clear that your views do not represent those of the company by including a disclaimer, such as "The postings on this site are my own and do not necessarily reflect the views of the company."
- Ultimately, you are solely responsible for what you post online. Harassment, bullying, discrimination or retaliation, as defined in the relevant company policies, that would not be permissible in the workplace is not permissible online, even if it is done after hours, from home or on personal devices. Inappropriate postings that include discriminatory remarks, harassment, threats of violence, or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

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- You should not disclose or post images or video of any company (or its parent, subsidiary or any affiliate corporation or entities) trade secrets or confidential business information or of any confidential business processes. Trade secrets may include information regarding the development of systems, business processes, know-how and technology. Confidential business information may include non-public financial data, such as estimates of financial performance; sensitive business information, such as marketing strategies, product launches, and pricing policies; plans for the acquisition or disposition of corporate assets; information about customers; and the company's attorney-client communications or other internal business-related confidential communications.
- Respect financial disclosure laws. It is illegal to communicate or give a "tip" on inside information to others so that they may buy or sell stocks or securities.
- Respect the laws governing copyright, fair use of copyrighted material owned by others, trademarks, and other intellectual property.
The Federal Trade Commission requires that endorsements be truthful and not deceptive. If your social media activity endorses the company's services, i.e., expresses opinions, beliefs, findings or experiences concerning the company's services, you must disclose your name and position with the company.
- Be aware that any information that you post may be discoverable in administrative or legal proceedings.
- If you become aware that electronic communications are being used in violation of this policy or any law, notify your manager or human resources representative.
- If allowed by your management, any non-business use of social media during work hours should be incidental, occasional, and reasonable. If you have questions, talk to your manager about whether and when it is appropriate for you to participate in social media during your work hours.

The expression "affiliate corporation or entity" means a person or business entity, corporate or otherwise, that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with the company.

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Reasonable Accommodation

Updated: April 2010

In accordance with the Americans with Disabilities Act, the company provides reasonable accommodation to known physical or mental limitations of a qualified employee with a disability unless the accommodation would impose an undue hardship on the business. Reasonable accommodation is any modification or adjustment to a job, the work environment, or the way things are usually done that enables an employee with a disability to perform the essential functions of a job and to enjoy the benefits and privileges of employment.

If an employee requests a reasonable accommodation, he or she should do so in writing. The request should be accompanied by a physician's statement supporting the requested accommodation. All requests for reasonable accommodation are to be submitted to the human resources department.

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Safety

Updated: January 2013

The company is committed to providing a safe work environment for the benefit of our employees, sales associates and the public. It is the goal of the company to maintain an accident-free work environment.

It is every employee's responsibility to make the safety of fellow employees, sales associates, the general public and themselves part of their daily routine.

When a person joins the company, he or she has a right to expect to be provided with resources to carry out the job. These include not only the obvious resources of proper tools and training, but also the right to expect competent and safety-conscious fellow employees. In return, the company expects employees to be accountable for their actions.

Employees must follow all safety rules and procedures established by operating departments. Extreme care must be exercised to prevent damages or injuries to people or property. All employees are empowered to take immediate, corrective action toward any unsafe work practices and conditions. Any damages or defects caused or discovered must be reported immediately to a manager. All accidents or injuries, no matter how small, must be reported immediately to a manager and human resources.

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Tobacco-Free Workplace

Updated: December 2014

Tobacco-Free Workplace

To help provide a safe, healthy work environment, no individuals, whether employees, contractors, vendors, visitors or guests, are allowed to smoke or use tobacco products on the premises of any company facility or property, whether owned or leased, except in specific outside break areas approved by the company or in smoking areas designated by the landlord of a leased property. "Tobacco products" are defined as cigarettes, cigars, pipes, all forms of smokeless tobacco, clove cigarettes, and any other smoking devices that use tobacco or simulate the use of tobacco, such as electronic cigarettes. This prohibition includes offices, field facilities, company vehicles, garages, parking lots, lawns and sidewalks.

In addition, employees and contractors are not allowed to use any tobacco products in customers' residences or businesses while on company business.

Reporting

Employees are expected to report violations of the company's tobacco-free policy to their supervisor or a human resources representative. Failure to comply with the tobacco-free policy can result in discipline, up to and including termination of employment. Smoking in the workplace is a violation of law in certain states and may carry civil penalties for those who violate such laws.

Protection Against Retaliation

Retaliation against any person who, in good faith, reports a violation of this policy or participates in an investigation of smoking or the use of tobacco products in the workplace is prohibited. Where the company finds retaliation has occurred, individuals who engaged in the retaliatory behavior may be subject to discipline, up to and including termination of employment, regardless of whether the original complaint is substantiated.

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Violence Prevention and Weapons-Free Workplace

Updated: April 2010

All company employees should be able to work in an environment free of violence or the threat of violence. The company is committed to a violence-free workplace and has zero tolerance for weapons; acts of violence; threats of violence or intimidation on company premises or in its facilities, company parking lots, or at any company event, function, client location or while on company business. Possession of weapons (except where permitted by law); acts of violence; and threats or intimidation, whether made directly or indirectly by words, gestures or symbols, are strictly prohibited on company property and will not be tolerated.

The possession of an unauthorized weapon or use of an object as a weapon on company premises or in its facilities, parking lots, or at any company event, function or while on company business is cause for disciplinary action, up to and including termination of employment and potential criminal prosecution.

If an employee's actions indicate remaining on the job may be detrimental to the employee, fellow employees, customers or company, the employee will be required to leave company property and cease performing job responsibilities pending an investigation.

After an investigation, if the company determines allegations of misconduct cannot be substantiated, the employee will be allowed to return to work with no loss of pay. If the allegations are substantiated, disciplinary action, up to and including termination of employment and criminal prosecution may occur. If an employee is unfit or unavailable to return to work during the investigation, the time off will be without pay.

Reporting workplace weapons possession, acts of violence, threats of violence or intimidation

Because the perpetrator of violence or threats of violence may follow targeted victims into the workplace, employees must inform the human resources department and their supervisor immediately if they believe they have been the target of violence or threats with the potential to affect the workplace or who have knowledge of weapons, violent conduct or threats of violence in the workplace.

Employees who have reason to believe their personal safety is in jeopardy should immediately advise the human resources department and their supervisor so appropriate protective action can be taken.

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Participation in Professional/Technical Societies

Updated: April 2010

Employees are encouraged to belong to trade associations when such groups contribute significant benefits sufficient to justify the time and cost of membership or support. Employees must obtain permission from their department head before joining a trade association and before representing the company at any trade association function. Reasonable and actual expenses associated with participating in approved trade associations will be reimbursed by the company.

The company may encourage certain employees, depending upon their positions, to become members of organizations such as the Chamber of Commerce, and/or professional or technical organizations in order to provide company representation, networking and employee development. Where this type of membership is approved in advance, the company will reimburse reasonable and actual expenses incurred by the employee.

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Performance Development

Updated: March 2016

Employee and leadership development is a company priority. To achieve its mission, the company requires quality employees who are dedicated to the achievement of the mission and who fully apply their knowledge, skills and abilities toward its achievement. Management should make every effort to create an environment where employee development and performance is a priority.

The company provides employees with challenges and opportunities to demonstrate superior work performance. The company also provides a work environment that includes compensation, benefit and development programs designed to encourage and facilitate superior performance. In order to achieve our goal of performance development, managers must provide employees with:

- Clear definition of their primary duties and responsibilities; however, such definition should not restrict an employee's contributions to only those areas of primary responsibility.
- Clear definition of performance expectations to include what is meant by fully satisfactory performance and superior performance relative to an employee's assigned duties and responsibilities.
- Objective, timely and ongoing feedback on employee performance, plus coaching and other assistance as may be appropriate to assist the employee in fully developing his or her performance potential.
- Recognition of a job well done.

Employees ultimately bear the primary responsibility for their own performance. They are also to ensure that, when at work or otherwise acting on the company's behalf, they are fully fit and capable of performing their duties and responsibilities in a manner promoting the best interests of the company. The company has a zero-tolerance policy for any unsafe behavior that creates a risk of physical injury or death. If it is determined an employee has engaged in conduct which placed the employee or others in a situation where serious injury or death may occur, the employee's employment may be terminated, even for a first offense. Besides adhering to all rules of conduct and applicable legal, ethical and professional codes, employees are responsible for:

- Ensuring they understand their duties, responsibilities and expected levels of performance. If unsure about any of these, they are to request clarification from the appropriate manager or supervisor.
- Performing at their full level of capability.
- Enhancing knowledge, skills and abilities on an ongoing basis.
- Ensuring their fitness for duty. To the extent that personal issues, situations or problems interfere with their ability to perform in a fully satisfactory manner, employees are to advise their manager of the problem and take appropriate steps to address those situations or problems.

When appropriate and practical, the company will offer assistance to employees who experience personal problems or situations interfering with the ongoing performance of their duties and responsibilities. Employees who desire confidential assistance should contact the company's third party employee assistance program (EAP). Contact information for the EAP is found in HR Self Service or can be obtained from human resources.

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Employee Development

When an employee's performance or conduct is unsatisfactory or unacceptable, it is the responsibility of management to address the situation in accordance with company performance development procedures. In situations where management determines disciplinary action would be constructive, corrective measures need to be taken. It is impossible; however, to establish a precise formula for the application of corrective action or discipline. The appropriate form of corrective or disciplinary action requires the exercise of management judgment and discretion and will be determined on a case-by-case basis.

In all cases where management seeks to terminate the employment of an employee, the action must be coordinated with the HomeServices corporate human resources department.

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Professional Certification or Registration

Updated: April 2010

The company may reimburse full-time employees for the cost of applying for and obtaining their professional certification or registration. In order to qualify for reimbursement, the certification or registration must be required by the position or be directly related to performance of the employee's job and approved in advance by management.

Examples of certifications included in this policy are:

- State Bar Association
- Certified Public Accountant
- Real Estate Licensing

If employees wish to take refresher courses in order to obtain professional registration, the cost of such courses shall be reimbursed under the subsidiary's educational expense reimbursement benefit. If a subsidiary does not have an educational expense reimbursement benefit, the cost must be approved by the subsidiary president or chief executive officer.

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Bereavement Leave

Updated: December 2014

In the event of a death in a benefit-eligible employee's immediate family, a reasonable amount of paid time off will be granted, normally not to exceed three days. Each case should be appraised on an individual basis by the employee's supervisor. If an employee needs more than three days in connection with a death in the family, additional paid time up to a total of five days of paid leave may be authorized with the approval of management and human resources.

For the purpose of this policy, an employee's immediate family is defined as the employee's spouse, the employee's or spouse's child, parents, grandparents, brothers, sisters, grandchildren or legal guardians. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.

In the event of an emergency, the employee must notify or arrange for notification to be given to his or her supervisor as soon as practical.

Bereavement pay will be calculated based on the employee's normal base pay, not to include overtime pay, bonuses, or other premium pay. Bereavement leave hours do not count as time worked for overtime calculation purposes.

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Family and Medical Leave (FMLA)

Updated: December 2014

Purpose

The Family Medical Leave Policy is designed to comply with all applicable federal and state laws. In general, family medical leave will be administered according to the Family Medical Leave Act of 1993 (FMLA) and the National Defense Authorization Act of 2008. The administration of this policy will also comply with applicable state law where such state law provides a greater benefit. FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law which provides greater family or medical leave rights.

For a summary of employee rights and responsibilities under FMLA and the National Defense Authorization Act please review WH Publication 1420 that is provided by the Wage and Hour Division of the U.S. Department of Labor.

Eligibility

An employee becomes eligible for FMLA after completing one year of service and having worked at least 1,250 hours in the 12 months preceding the leave. For employees serving in the U.S. Armed Forces, the hours such an employee should have worked from the date of hire, but for his or her military service, are credited toward the employee's required 1,250 hours worked for FMLA eligibility.

Basic Leave Entitlement

An eligible employee may take FMLA for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth.
- To care for the employee's child after birth or placement for adoption or foster care.
- To care for the employee's spouse, son, daughter or parent who has a serious health condition.
- For a serious health condition that makes the employee unable to perform the employee's job.

An employee is entitled to a combined maximum of up to 12 weeks leave in a rolling 12-month period for one, or a combination of reason(s) listed above. Leave for birth, adoption or fostering a child is expected to be taken within 12 months of the event. When both spouses are employed by the company, employees are entitled to a combined leave of up to 12 weeks in a rolling 12-month period for birth, adoption, fostering of a child or care of the employee's parent with a serious health condition. Each spouse may take 12 weeks for his or her own or a nonparent family member's serious health condition.

Military Leave Entitlements

In addition to the basic FMLA leave entitlement above, employees who are members of the U.S. Armed Forces are entitled to leave in the following circumstances:

For a qualifying exigency such as: (1) a short-notice deployment (2) to attend military events and related activities (3) for childcare and school activities (4) to make financial and legal arrangements associated with military duty (5) for counseling (6) rest and recuperation (7) post-deployment activities and (8) additional activities where the employer and employee agree to the leave arising out of the fact the spouse, or a son, daughter or parent of the employee is on active duty or has been notified of an impending call or order to active duty in the U.S. Armed Forces in support of a contingency operation.

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An eligible employee who is the spouse, son, daughter, parent or next of kin of a covered service member shall be entitled to a total of 26 workweeks of leave during a 12-month period to care for the service member (available during a single 12-month period). A covered service member is a current member of the U.S. Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the service member medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation or therapy; or is in outpatient status; or is on the temporary disability retired list.

Definition of a Serious Health Condition and Intermittent Leave

A serious health condition is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the requirement of continuing treatment may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider, or one visit and a regimen of continuing treatment, or incapacity due to pregnancy or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

FMLA leave may be taken on an intermittent or reduced schedule basis in certain circumstances which include medical necessity or military qualifying events. Intermittent or reduced scheduled leave is FMLA leave taken in separate blocks of time due to a single qualifying reason and any certified leave reducing the employee's usual number of hours per workweek or hours per workday.

Example:

A full-time employee's serious health condition requires treatment for four hours of medication/treatment at a local health facility once a week. If FMLA certified, the four hours the employee must take each week would be counted towards the employee's annual eligible FMLA entitlement.

Employee Responsibilities

Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When a 30-day notice is not possible, the employee must provide notice as soon as practicable using the company's normal call-in procedures. Employees must make reasonable efforts to schedule leave for planned medical treatment to avoid disrupting company operations.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform their normal job functions, a family member is unable to perform daily activities, a need for hospitalization or continuing treatment by a health care provider or circumstances supporting the need for military family leave. Employees need also state if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees will be required to provide a certification and periodic recertification supporting the need for leave.

Use of Paid Leave Concurrently with FMLA Leave

All forms of paid leave (PTO, workers' compensation, short-term disability, etc.) run concurrently with FMLA leave.

An employee whose leave is not covered by workers' compensation or short-term disability must use any earned and unused paid leave available to them concurrently with FMLA leave. If on approved FMLA leave, an employee may withhold up to 80 hours of earned and unused paid time off for use outside of FMLA leave.

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In using paid leave, employees must comply with the company's normal leave policies. When all paid leave in excess of the 80-hour PTO exception mentioned above is exhausted, FMLA leave will be unpaid.

Employees receiving workers' compensation or short-term disability payments that do not fully equal their regular earnings may use earned, unused paid leave to supplement those payments up to their regular earnings amount until such paid leave is exhausted.

Benefits and Protections

Group health plan benefits will be maintained during eligible FMLA leave. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits and other employment terms.

Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of the FMLA leave.

Employer Responsibilities

The company must advise employees of their rights and responsibilities. If FMLA leave is requested, the company must inform the employee if the requested leave is eligible and FMLA protected and designated. Also, the company must advise the employee if any additional information is required. If the requested leave is determined not eligible, the company must advise the employee the leave is ineligible and give the employee a reason why the request is ineligible.

The company must also provide information to update the employee about the amount of leave counted against the employee's annual entitlement.

Unlawful Acts

FMLA makes it unlawful for any employer to:

- Interfere with, restrain or deny the exercise of any right provided under FMLA.
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer for an employer's interference with an employee's rights under FMLA.

For access to complete FMLA guidelines and procedures, review the Family and Medical Leave Procedures. Additional benefits may apply according to the laws of the state in which the employee works.

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For general questions, contact human resources or the HR helpline at 888-630-9076. To initiate an FMLA request notify your manager/human resources. The company utilizes a third party administrator to administer company leave of absence programs and this administrator must also be contacted to initiate a leave of absence request. The contact information for the administrator can be obtained from the human resources department.

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Jury Duty, Election Duty, and Court Appearances

Updated: December 2014

It is the policy of the company to encourage its employees to serve on jury duty when they are called to do so. An employee who is selected for jury duty should advise his or her supervisor as soon as possible.

Benefit-eligible employees are paid their regular base pay rate when required to serve as a juror. Proof of jury service may be required from the employee. The number of paid days off for jury duty will not normally exceed 20 days per employee, per year. Employees serving on a jury will be retained on the payroll at normal rates of pay for the prescribed number of hours in their regularly scheduled workweek.

Employees released from jury duty prior to the end of their scheduled shift should immediately contact their supervisor to determine if it is practical to return to work to complete their regular work schedule.

In the event an employee has a work project that would be severely hampered by an absence, the human resources department should be contacted to forward a letter to the court requesting that the employee serve at another time.

Employees who are subpoenaed to appear in proceedings in which they are not a party to the legal action will be treated in the same manner as an employee on jury duty. Paid time off will be allowed, however, such time off will not exceed three days per year. Employees who are a party to legal action not connected with the business of HomeServices will not be provided paid time off to pursue their legal action. Employees involuntarily appointed to serve as election workers will be treated in the same manner as an employee on jury duty.

Paid time off hours provided under this policy do not count as time worked for overtime calculation purposes.

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Military Leave

Updated: December 2015

Purpose

The purpose of this policy is to provide guidelines for military leaves of absence and benefits when employees are required to participate in temporary training or are called as reservists for active duty with the U.S. military or National Guard. In case of conflict between this policy and federal or state law, the provisions of law will supersede this policy, except where this policy exceeds the minimum requirements.

Scope

This policy applies to all employees who are current members or reservists for the armed forces, military reserves or National Guard either reporting for training or active duty. This includes absences for the purpose of an examination to determine the fitness for training or active duty. The Uniformed Services Employment and Reemployment Rights Act of 1994 or the Act, grants rights to employees returning from military leave of absence, including the right to be reinstated after service in the U.S. Armed Forces. The company's policies related to returning veterans will comply with the Act and other similar state and federal laws.

Request for Leave

Leave without pay will be granted to any employee ordered to, or volunteering for, active duty or inactive duty training in any branch of the United States Armed Services, including the Coast Guard, Army National Guard, Air National Guard or the Army, Navy, Air Force, Marines and Coast Guard Reserves. The cumulative length of one or more such leaves cannot exceed five years. Employees must provide as much notice as possible prior to the requested starting date of the leave, and estimate the duration of the leave.

Employees who are called for active duty must provide the following information to employee benefits and their supervisors:

1. Date they are to report for duty
2. Expected length of the duty
3. Contact name and phone number while they are away

Full-time and part-time employees are allowed leave with pay for the required pre-induction physical examination, provided such leave does not exceed two days. If more than two days are needed, the excess will be treated as unpaid leave. Proof of military service is required. Employees may use and be paid for any earned and unused paid time off while on active duty.

Compensation and Benefits

Other compensation and benefit components applicable to individuals on active duty military leave from the company will be administered as follows:

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Leaves of Absence

Wages: Employees neither receive nor accrue wages during active duty military leave. Salary increases, if any, will be included in the returning veteran's wage rate upon his or her re-employment. Employees on active duty military leave are eligible for a pro rata payment of any discretionary incentive compensation bonuses based on job performance prior to reporting for active duty to the extent such bonuses are made by the company.

Paid Time Off: Employees will not earn additional hours of paid time off while on active duty military leave. Employees on military leave will be credited with continued employment for purposes of calculating paid-time-off accruals upon their re-employment.

Group Insurance: If the leave will be less than 31 days, the costs of medical, dental and other health-related insurances will be continued as if the employee were at work. If the leave is expected to extend for more than 31 days, employees may elect to continue on company-sponsored group medical, dental and other health-related insurance for up to 24 months, but will be required to pay the full cost plus 2% of the continued insurance benefits. This change is effective for elections of coverage made on or after December 10, 2004, by employees who are absent on account of military service. Upon re-employment, the employee will be immediately eligible for coverage, subject to acceptance by the current insurance carrier. Life insurance and long-term disability insurance will be terminated on the first day of leave, and reinstated, subject to acceptance by the current insurance carrier, upon return to full-time or benefit-eligible part-time employment.

401(k) Plan: Company contributions to the 401(k) Plan for the employee are suspended at the time the employee takes a military leave. However, time spent on military leaves of absence will not be considered a break in service and will be credited toward the vesting requirement of the plan upon re-employment. Employees may make up their contributions upon return to work within a period three times that of the military services (but less than five years) and the company will provide the appropriate contribution and match.

FMLA Eligibility: For employees serving in the U.S. Armed Forces, the hours such an employee should have worked but for his or her military service are credited toward the employee's required 1,250 hours worked for Family Medical Leave Act, or FMLA, eligibility. Upon commencement of employment, the time an employee is absent from duty for service in the U.S. Armed Forces will be counted in determining the FMLA qualification of having been employed by the company at least 12 months.

Reinstatement

Employees who return from leave must:

1. Be qualified to perform the duties of the position,
2. Apply to resume employment within the time specified by law and applicable regulations, and,
3. Present a certificate from the proper authority showing satisfactory completion of their period of service or training.

If the employee has been on leave for 90 days or less, the employee will be reinstated to the position he or she would have had but for the leave, or the employee's former position. If the employee has been on leave for more than 90 days, the options for reinstatement are: the employee will be reinstated to the position he or she would have had but for the leave; the employee will be reinstated in another position with similar seniority, status and pay; or the employee will be reinstated in the former position. Employees must be qualified for the position in which they are placed. Re-employment is not required if impossible or unreasonable or if the employee receives a dishonorable discharge.

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Leaves of Absence

If the employee is on leave for 30 days or less, the employee is required to return to work on the next full business day following the last day of the leave, assuming that a minimum of eight hours has passed since military duty ended. If the employee has been on leave for 31-180 days, the employee must apply for reinstatement within 14 days of the end of the service. If the employee has served for more than 180 days and wishes re-employment, the employee must make application for employment reinstatement no later than 90 days after discharge from active service.

Employees who are members of a military reserve unit will be allowed to attend regularly scheduled military training activities, and such employees may be authorized up to 10 days of paid leave per year. Such employees will be paid the difference between their regular or average daily pay rates and their military pay for the leave period. Proof of military pay is required.

Managers must notify the human resources department if an employee is required to take a military leave of absence.

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Personal Leave

Updated: January 2009

Employees are discouraged from taking a leave of absence for personal reasons other than as permitted under other company leave policies. However, benefit eligible employees may be granted an unpaid leave of absence for personal reasons if they have at least one year of continuous, fully satisfactory job performance. Typically a personal leave of absence will be granted for no more than four weeks and only if available paid time off has been exhausted. Personal leaves of absence require the advance approval of the employee's manager, subsidiary executive officer and HomeServices corporate human resources.

Employees in some states may be eligible for personal leave which will be determined in accordance with the terms of the statutes. Specific compensation and benefit components applicable during any approved leave will be administered in accordance with the associated plan documents. For specific information, contact human resources.

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Compensation

Updated: April 2010

It is company policy to provide a competitive compensation package in order to attract, retain and motivate employees of high caliber, talent and aspiration.

Based on company and individual employee performance, as well as market conditions, management may, at its sole discretion, adjust an individual employee's compensation. Additionally, individuals may also be rewarded through incentive compensation plans or by specific one-time awards. Incentive compensation is paid at the discretion of company management.

Managers will review the compensation and performance of their respective employees at least annually, generally at or near year-end.

Compensation recommendations and employee performance reviews shall be completed prior to any annual adjustment. Management recommendations will be compiled and forwarded to the HomeServices chairman and chief executive officer for review prior to being forwarded to the HomeServices board of director's compensation committee for approval.

All recommendations for pay increases outside of normal, established time frames, including promotions and bonus awards, must be individually approved by the subsidiary chief executive officer and the HomeServices vice president of human resources.

Exempt Pay Guidelines

The Fair Labor Standards Act (FLSA) is the federal legislation that regulates wages and hours in the workplace, including overtime pay. Positions are classified as:

- Exempt - not entitled to overtime pay; or
- Nonexempt - covered by the FLSA overtime pay requirements.

Exempt employees must receive their full salary for a workweek in which they perform any work, regardless of the number of days or hours actually worked, except as noted below. Employees who work no hours during a particular workweek, however, need not be paid in any workweek when no work is performed.

Reductions in pay for exempt employees cannot be made for variations in the quality or the quantity of work being performed, except in one of the following circumstances:

- Other than sickness or disability, absence from work for one or more full days for personal reasons.
- Absence from work for one or more full days due to sickness or disability, if deductions are made under a bona fide plan, policy or practice providing wage replacement benefits for these types of absences.
- To offset any amounts received as payment for jury fees, witness fees or military pay.
- Penalties imposed in good faith for violating safety rules of major significance.
- Unpaid disciplinary suspension of one or more full days imposed in good faith for violations of workplace conduct rules.
- Proportionate part of an employee's full salary may be paid for time actually worked in the first and last weeks of employment.
- Unpaid medical leave taken pursuant to the Family and Medical Leave Act.

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Compensation and Benefits

If an exempt employee does not have paid time off available to cover an absence of less than one day, it is up to management to choose to allow the employee to take the time off with pay or not allow the employee to take the time off at all. No reduction in pay, however, is allowed.

It is company policy to comply with the FLSA provisions regarding employees' pay. Therefore, any deduction from pay thought to be improper should be reported immediately to the human resources department. Any such complaints shall be investigated promptly and remedied as appropriate.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Time Reporting and Overtime

Updated: December 2014

Time Reporting

Non-exempt employees must record their start and stop time (including meal breaks) each day on their time record. Exempt employees must report absences, whether paid or unpaid, in a timely manner. Falsifying time records, failing to accurately report hours worked or failure to report time off is a violation of company work rules and may result in discipline up to and including termination of employment. Supervisors are responsible for reviewing and approving accurate time reports of each employee's time worked and not worked, including start and stop times as well as paid/unpaid absences for each workday and workweek.

It is important that employees use the Time Management System (TMS) to account for hours or exceptions accurately.

Non-Exempt Employees and Overtime

It is company policy to pay employees for overtime in accordance with this policy and applicable federal and state statutes.

The Fair Labor Standards Act requires employers to determine overtime payments based on the employee's workweek. It defines workweek as any consecutive seven-day period. The standard company workweek begins on Monday at 12:01 a.m. and continues through Sunday at 12:00 midnight. If it is necessary for an employee to have a different workweek, the workweek should be established and communicated to the employee and payroll in advance. Some states may be more restrictive than the Fair Labor Standards Act. If you have any questions, please contact human resources.

Unless otherwise required by state or local law, all hours worked by non-exempt employees in excess of 40 hours in one workweek will be treated as overtime. Overtime compensation will be paid at a rate of one-and-one-half times the employee's regular rate of pay.

It is company practice to manage payroll costs, therefore additional time over and above a non-exempt employee's regular work schedule shall not be worked without the advance authorization and approval of the employee's supervisor. Management is responsible for determining work schedules to include overtime required for their respective operations. The procedures for scheduling overtime in advance and the payment of the applicable overtime rates are the responsibility of the manager of the department where the work is performed. Failure to work hours as scheduled, including overtime, or additional time worked without prior authorization from the manager, may result in disciplinary action, up to and including possible termination of employment.

Time spent during company required travel will be paid according to Fair Labor Standards Act (FLSA) guidelines. Attendance at company meetings and training programs is not considered time worked if the following criteria are met:

1. The employee's attendance is voluntary.
2. The employee's attendance is outside of normal work hours.
3. The meeting, course or training program is not directly related to the employee's job.

Non-exempt employees shall not be required or allowed to take time off to compensate for overtime hours worked.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Exempt Employees

Employees who are exempt from overtime provisions of the federal Fair Labor Standards Act and any applicable state laws, and are paid on a salaried basis, will not be paid additional compensation for additional hours worked.

Interpretation of this Policy

Human resources will provide technical guidance in complying with the overtime pay requirements of this policy. The human resources payroll group will provide guidance regarding time entry and analyzing actual overtime calculations.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Relocation

Updated: January 2013

The company does not provide employees or new hire candidates with relocation benefits. Exceptions to this policy require the approval of the HomeServices chairman and chief executive officer prior to any offer that includes relocation benefits.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Code of Business Conduct and Ethical Standards

Updated: April 2014

HomeServices of America, Inc. is proud to be a part of Berkshire Hathaway Energy. Berkshire Hathaway Energy and its subsidiaries and affiliates expect at all times to maintain the highest ethical standards in the conduct of the company's business. The Berkshire Hathaway Energy Code of Business Conduct provides the overarching principles, values and guidance company employees are to follow in carrying out their duties. HomeServices of America supports and expects all employees to comply with the Berkshire Hathaway Energy Code of Business Conduct.

Code of Business Conduct and Ethics

Though not all-inclusive, the following documents provide clear guidance to the employees of the company and serve to emphasize the company's commitment to ethics and compliance with the law; set forth minimum standards of ethical and legal behavior; provide reporting mechanisms for known or suspected ethical or legal violations; and help prevent and detect wrongdoing.

- Berkshire Hathaway Energy Code of Business Conduct
- Berkshire Hathaway Energy Prohibited Business Practices Policy
- Berkshire Hathaway Inc. Code of Business Conduct and Ethics

The Berkshire Hathaway Inc. Code of Business Conduct and Ethics and the Berkshire Hathaway Energy Prohibited Business Practices Policy are incorporated in HomeServices HR Policy. The Berkshire Hathaway Energy Code of Business Conduct is published separately and can be obtained from human resources.

Individual Accountability

Every employee is responsible for his or her individual actions. The company holds each employee accountable for complying with the company's codes of business conduct and ethics (Berkshire Hathaway Code of Business Conduct and Ethics Policy, Berkshire Hathaway Energy Code of Business Conduct, Berkshire Hathaway Energy Prohibited Business Practices Policy), HR Policy and the law. Failure to live up to the responsibilities set forth in the company codes and HR Policy, either directly or by failure to report a violation, may result in disciplinary action, up to and including termination of employment without further notice.

Responsibilities of Managers

Managers have the additional responsibility of creating and sustaining an ethical work environment. Managers are to be vigilant in preventing violations of the company codes of business conduct, HR Policy and the law. When wrongdoing or violations are observed, or allegations of such actions are brought to their attention, managers must take prompt action to ensure appropriate steps are taken.

Employee Duty to Report

It is the responsibility of all employees to ensure the company codes of business conduct, HR Policy and the law are upheld in the course of carrying out the business of the company. Employees, whether in management or not, have a duty to report wrongdoing or alleged violations of the company codes, HR Policy or the law to their supervisor or an employee relations representative. If your situation requires your identity be kept secret, your anonymity will be protected to the maximum extent consistent with the company's legal obligations.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Protection Against Retaliation

You may report violations of the company codes of business conduct, HR Policy and the law without fear of retaliation. Good faith reporting of violations or possible violations will not result in adverse consequences to the person reporting them, even if the perceived violations are ultimately proven not to have occurred.

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Berkshire Hathaway Inc. Code of Business Conduct and Ethics

This Code of Business Conduct and Ethics applies to all Berkshire Hathaway directors, officers and employees, as well as to directors, officers and employees of each subsidiary of Berkshire Hathaway. Such directors, officers and employees are referred to herein collectively as the “covered parties.” Berkshire Hathaway and its subsidiaries are referred to herein collectively as the “company.”

The company is proud of the values with which it conducts business. It has and will continue to uphold the highest levels of business ethics and personal integrity in all types of transactions and interactions. To this end, this Code of Business Conduct and Ethics serves to (1) emphasize the company’s commitment to ethics and compliance with the law; (2) set forth basic standards of ethical and legal behavior; (3) provide reporting mechanisms for known or suspected ethical or legal violations; and (4) help prevent and detect wrongdoing.

Given the variety and complexity of ethical questions that may arise in the company’s course of business, this Code of Business Conduct and Ethics serves only as a rough guide. Confronted with ethically ambiguous situations, the covered parties should remember the company’s commitment to the highest ethical standards and seek advice from supervisors, managers or other appropriate personnel to ensure that all actions they take on behalf of the company honor this commitment. When in doubt, remember Warren Buffett’s rule of thumb:

“...I want employees to ask themselves whether they are willing to have any contemplated act appear the next day on the front page of their local paper – to be read by their spouses, children and friends – with the reporting done by an informed and critical reporter.”

I. Ethical Standards

1. Conflicts of Interest

A conflict of interest exists when a person’s private interest interferes in any way with the interests of the company. A conflict can arise when a covered party takes actions or has interests that may make it difficult to perform his or her work for the company objectively and effectively. Conflicts of interest may also arise when a covered party, or members of his or her family, receives improper personal benefits as a result of his or her position at the company. Loans to, or guarantees of obligations of, covered parties and their family members may create conflicts of interest. It is almost always a conflict of interest for a covered party to work simultaneously for a competitor, customer or supplier.

Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor or manager or, if circumstances warrant, the chief financial officer or chief legal officer of the company. Any covered party who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in section III of this code.

All directors and executive officers of the company, and the chief executive officers and chief financial officers of Berkshire Hathaway’s subsidiaries, shall disclose any material transaction or relationship that reasonably could be expected to give rise to such a conflict to the chairman of the company’s audit committee. No action may be taken with respect to such transaction or party unless and until such action has been approved by the audit committee.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

2. Corporate Opportunities

Covered parties are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the board of directors of the company. No covered party may use corporate property, information or position for improper personal gain, and no employee may compete with the company directly or indirectly. Covered parties owe a duty to the company to advance its legitimate interests whenever possible.

3. Fair Dealing

Covered parties shall behave honestly and ethically at all times and with all people. They shall act in good faith, with due care, and shall engage only in fair and open competition, by treating ethically competitors, suppliers, customers, and colleagues. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. No covered party should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered or accepted by a covered party or any family member of a covered party unless it (1) is consistent with customary business practices, (2) is not excessive in value, (3) cannot be construed as a bribe or payoff and (4) does not violate any laws or regulations. The offer or acceptance of cash gifts by any covered party is prohibited. Covered parties should discuss with their supervisors, managers or other appropriate personnel any gifts or proposed gifts which they think may be inappropriate.

4. Insider Trading

Covered parties who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of the company's business. All nonpublic information about the company should be considered confidential information. It is always illegal to trade in Berkshire Hathaway securities while in possession of material, non-public information, and it is also illegal to communicate or "tip" such information to others.

5. Confidentiality

Covered parties must maintain the confidentiality of confidential information entrusted to them, except when disclosure is authorized by an appropriate legal officer of the company or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to the company or its customers if disclosed. It also includes information that suppliers and customers have entrusted to the company. The obligation to preserve confidential information continues even after employment ends.

6. Protection and Proper Use of Company Assets

All covered parties should endeavor to protect the company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. The company's equipment should not be used for non-company business, though incidental personal use is permitted.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

The obligation of covered parties to protect the company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports.

Unauthorized use or distribution of this information would violate company policy. It could also be illegal and result in civil or criminal penalties.

7. Compliance with Laws, Rules and Regulations

Obedying the law, both in letter and in spirit, is the foundation on which the company's ethical standards are built. In conducting the business of the company, the covered parties shall comply with applicable governmental laws, rules and regulations at all levels of government in the United States and in any non-U.S. jurisdiction in which the company does business. Although not all covered parties are expected to know the details of these laws, it is important to know enough about the applicable local, state and national laws to determine when to seek advice from supervisors, managers or other appropriate personnel.

8. Timely and Truthful Public Disclosure

In reports and documents filed with or submitted to the Securities and Exchange Commission and other regulators by the company, and in other public communications made by the company, the covered parties involved in the preparation of such reports and documents (including those who are involved in the preparation of financial or other reports and the information included in such reports and documents) shall make disclosures that are full, fair, accurate, timely and understandable. Where applicable, these covered parties shall provide thorough and accurate financial and accounting data for inclusion in such disclosures. They shall not knowingly conceal or falsify information, misrepresent material facts or omit material facts necessary to avoid misleading the company's independent public auditors or investors.

9. Significant Accounting Deficiencies

The chief executive officer and each senior financial officer shall promptly bring to the attention of the audit committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal control over financial reporting which could adversely affect the company's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the company's financial reporting, disclosures or internal control over financial reporting.

II. Waivers

Any waiver of this code for executive officers or directors may be made only by the company's Board of Directors or its audit committee and will be promptly disclosed as required by law or stock exchange regulation.

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III. Violations of Ethical Standards

1. Reporting Known or Suspected Violations

The company's directors, chief executive officers, senior financial officers and chief legal officers shall promptly report any known or suspected violations of this code to the chairman of the company's audit committee. All other covered parties should talk to supervisors, managers or other appropriate personnel about known or suspected illegal or unethical behavior. These covered parties may also report questionable behavior in the same manner as they may report complaints regarding accounting, internal accounting controls or auditing matters by calling (anonymously, if desired) a third party organization called *The Network* at 1-800-261-8651. No retaliatory action of any kind will be permitted against anyone making such a report in good faith, and the company's audit committee will strictly enforce this prohibition.

2. Accountability for Violations

If the company's audit committee or its designee determines that this code has been violated, either directly, by failure to report a violation, or by withholding information related to a violation, the offending covered party may be disciplined for non-compliance with penalties up to and including removal from office or dismissal. Such penalties may include written notices to the individual involved that a violation has been determined, censure by the audit committee, demotion or re-assignment of the individual involved and suspension with or without pay or benefits. Violations of this code may also constitute violations of law and may result in criminal penalties and civil liabilities for the offending covered party and the company. All covered parties are expected to cooperate in internal investigations of misconduct.

IV. Compliance Procedures

We must all work together to ensure prompt and consistent action against violations of this code. In some situations, however, it is difficult to know if a violation has occurred. Because we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? Use your judgment and common sense. If something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the questions, and he or she will appreciate being consulted as part of the decision-making process.
- Seek help from company resources. In rare cases where it would be inappropriate or uncomfortable to discuss an issue with your supervisor, or where you believe your supervisor has given you an inappropriate answer, discuss it locally with your office manager or your human resources manager.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Code of Business Conduct

- You may report ethical violations in confidence without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected to the maximum extent consistent with the company's legal obligations. The company in all circumstances prohibits retaliation of any kind against those who report ethical violations in good faith.
- Ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Prohibited Business Practices

Updated: January 2016

This policy applies to all subsidiaries of Berkshire Hathaway Energy, including HomeServices of America, Inc. and its subsidiaries. The HomeServices legal department can assist with contacting appropriate Berkshire Hathaway Energy legal staff if guidance is needed related to this policy.

It is the policy of Berkshire Hathaway Energy Company (“BHE”) and each of its majority or wholly-owned subsidiaries (individually, a “BHE Company” and collectively with BHE, the “BHE Companies”) to strictly comply with all laws and regulations that apply to any of their activities and operations, or that may give rise to the risk of liability for BHE, for Berkshire Hathaway Inc. (“Berkshire”), its subsidiaries or persons employed by any of them.

This Prohibited Business Practices Policy (“Policy”) applies to all officers, directors and employees of the BHE Companies. This Policy also applies to any agent, consultant, representative, sales agent, reseller, distributor, joint venture partner, customs/import broker, freight forwarder, contractor, or other parties authorized to conduct business on behalf of BHE Companies (“Intermediaries”). Each person shall comply with this Policy, strictly abide by all applicable laws and regulations, and exercise great care not to take or authorize any actions that may create even the appearance of illegal conduct or other impropriety. Persons who violate this Policy shall be subject to appropriate disciplinary action up to, and including termination. **The BHE Companies will not undertake, authorize or tolerate any business practice that does not comply with this Policy.**

COMPLIANCE WITH BOTH U.S. AND FOREIGN LAW IS REQUIRED

The purpose of this Policy is to set forth Berkshire’s position against corruption and to describe the minimum procedures that must be followed to ensure compliance with this Policy and anti-corruption laws. This Policy (1) identifies certain specific laws and regulations that may apply to a BHE Company’s operations, and (2) sets forth the minimum standards that must be followed to ensure compliance with those laws and regulations. The applicable laws and regulations include not only federal, state and local laws and regulations of the United States, but also laws and regulations of any foreign countries in which a BHE Company does business, such as the United Kingdom’s Bribery Act of 2010. Because the Foreign Corrupt Practices Act of 1977 (“FCPA”) is the anti-corruption law which most broadly affects international business, this Policy uses that statute as a framework for setting forth Berkshire’s Policy. However, the Policy uses the term “government official” in most places where the FCPA uses the term “foreign official,” to make it clear that Berkshire’s Policy applies to interactions with all government officials worldwide, and that adherence to the principles and procedures set forth within this Policy will ensure compliance with all nations’ anti-corruption laws.

This Policy is not exhaustive, and there may be additional laws and regulations that apply to a BHE Company’s operations that are not discussed here. Even if a particular law or regulation is not discussed here, it is the policy of each BHE Company to ensure compliance with that law or regulation. This Policy addresses certain issues that are also covered by the BHE Code of Business Conduct. The Policy and the BHE Code of Business Conduct are cumulative and if there is a conflict between them, the more restrictive provisions shall apply.

Any BHE Company employee, who has a question about whether particular conduct could be illegal or involve any unethical or improper act or violate this Policy, must promptly report his or her concerns. In any situation where a question exists about what actions are permitted, BHE Company employees must seek guidance in advance. BHE has designated a Compliance Officer to receive and investigate such concerns, to provide guidance regarding permitted actions and to implement this Policy. Contact information is provided as follows:

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PROHIBITED OFFERS OR PAYMENTS

Each BHE Company must strictly comply with the U.S. law known as the FCPA and all other applicable anti-corruption laws. The FCPA prohibits bribes, kickbacks and favors to government officials to obtain an improper advantage, such as among other examples, the awarding of business or a government contract, obtaining a tax benefit or reduction of VAT or corporate income taxes, obtaining a permit or license, or expediting action on permits, tax benefits or the importation of goods.

Prohibited Purposes. To ensure compliance with the FCPA, no BHE Company or its agents or Intermediaries may corruptly provide, promise or offer to provide anything of value to a government official for any of the following purposes:

- Influencing the official;
- Securing any improper advantage;
- Affecting any official decision; or
- Helping the BHE Company obtain or retain business or direct business to any other person or company.

Similarly, no BHE Company, its employees or Intermediaries may *authorize* a third party to corruptly offer or promise to provide something of value to a government official for any of the purposes listed above.

“Corrupt” Payments. The FCPA prohibits promising, providing, offering to provide, or authorizing the provision of things of value to a government official if done “corruptly.” This means that the payor has an intent or desire to improperly influence the recipient and to get something in return, *i.e.*, a *quid pro quo*. The word “corruptly” is used in the FCPA statute to make clear that the offer, payment, promise or gift must be intended to induce the official to misuse his or her official position in order to assist the giver in obtaining a business advantage.

Government Officials. The prohibition of improper payments found in the FCPA applies to more than just individuals actively serving in governments. Under the FCPA, a government official is:

- Any officer or employee of a government or any department, agency, or instrumentality of a government;
- Elected officials;
- Any officer or employees of a public international organization such as the United Nations or World Bank;
- Any individual acting in an official capacity for or on behalf of a government agency, department, instrumentality or of a public international organization;
- Any officer or employee of a company owned or controlled by a government;
- Political parties outside of the United States and their employees;
- Candidates for political office outside of the United States; and
- Any member of a royal family who may lack formal authority but who may otherwise be influential, including by owning or managing state-owned or controlled companies

It is important to note that employees of state owned or controlled entities (whether partially or completely state owned or controlled) are considered government officials under the FCPA regardless of the rank, nationality or their classification under local law. Some individuals, who may not be considered government officials in their own country, are considered government officials under the FCPA. In addition, a company may be under government control even if it is publicly traded, and even if some of its stock is not owned by the government. In some countries, government control of publicly traded companies is common. This Policy prohibits promising, providing or offering to provide anything of value

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to employees or agents of state owned or controlled companies for any of the prohibited purposes described above, even if those companies are engaged in purely commercial businesses.

For purposes of this Policy, close family members of government officials (*i.e.*, brother, sister, mother, father, husband, wife or child) are treated as government officials to whom a BHE Company, its officers, employees or Intermediaries shall not corruptly promise, offer, authorize or provide anything of value. Similarly, for purposes of this Policy, the Policy's prohibitions also apply with regard to former government officials in cases where the former official retains some sort of quasi-official status.

Indirect and Direct Payments. The prohibition against improper payments or gifts under the FCPA applies not only to direct payments or offers of payment, but also to indirect offers or payments made through any Intermediaries or agents. Care must be taken to ensure that third party representatives and Intermediaries of a BHE Company, such as sales representatives, consultants, advisors, lobbyists, resellers, distributors, joint venture partners, customs/import brokers, freight forwarders or other contractors do not authorize, promise, offer or provide anything of value to a government official for any of the prohibited purposes described above.

Anything of Value. The term "anything of value" is construed very broadly under the FCPA and includes far more than just monetary gifts. Each of the following, among other things, could constitute a "thing of value":

- Monetary gifts in any form (whether cash, check, wire, etc.);
- Other types of gifts;
- Meals (including drinks);
- Entertainment, such as golf outings or sporting events;
- Travel, whether domestic or foreign;
- Flights on private or company provided aircraft;
- Excessive discounts on products or services;
- Excessive commissions;
- Sales at less than market value;
- Purchases at above market rates;
- Art;
- Vehicles;
- Personal gifts;
- Contractual rights;
- Donations to charity; and
- Scholarships for family members;

The term also applies to intangible benefits such as contributions to an official's favorite charity, offers of employment for an official's friends or family, assisting an official's family member or friend in gaining admittance to a school, or other kinds of help or assistance to officials or their friends and family. This Policy applies equally to offers of payment and things of value to relatives and family members of government officials, as to the government officials themselves. If any question exists as to the propriety of any proposed transaction or payment, the matter should be referred to the BHE Compliance Officer prior to entering into the transaction or making the payment.

Nominal Gifts and Entertainment. There are circumstances under which providing inexpensive items to a government official may be permissible under the FCPA. For instance, providing gifts of nominal value such as pens or mugs with the company logo, without any intent to influence the official, is not unlawful. Before providing even nominal gifts to a government official, employees of BHE Companies in foreign jurisdictions must confirm with their respective business unit president and

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general counsel that doing so is permitted by local law. A description of the gift and the circumstances of the giving shall be documented in writing. Some countries prohibit providing anything of value to government officials, even gifts of nominal value; in those countries, this Policy prohibits providing gifts of any kind to government officials. Where permitted by local law, gifts to government officials may be made under this Policy only when they are (1) made to promote general goodwill and not as a *quid pro quo* for any official action, (2) of very modest value, (3) not in the form of cash, (4) customary in type and value in the country where made, (5) given openly and not secretly, (6) not intended to improperly influence the government official, (7) made when there is no bid or tender for services outstanding or expected in the near future, and (8) accurately reflected in the applicable BHE Company's books and records.

Willful Blindness Is Not A Defense. The FCPA can apply to companies or individuals that are willfully blind to improper payments, gifts, or promises or offers of payments or gifts of something of value. Employees who suspect or see indications that corrupt payments or offers of payment are being made on the BHE Company's behalf must not "look the other way" or ignore the indications. For instance, if an employee becomes aware that a sales agent may have improperly provided money to a government official, he or she must immediately report that concern. Similarly, each employee should be alert to and promptly report concerns that other employees may be involved in such payments.

Bona Fide and Reasonable Business Expenses. The FCPA permits paying bona fide and reasonable travel and lodging expenses for government officials if the expenses relate directly to (1) the promotion, demonstration or explanation of products or services, or (2) the execution or performance of a contract. To ensure compliance with the FCPA, this Policy permits paying such expenses only upon the advance written approval of BHE's Compliance Officer. Where such expenses are approved for payment, any payment should be made to the third party provider (for instance, an airline or hotel) rather than to the government official whenever practicable, and any such payments must be supported by receipts and be properly documented and recorded in the BHE Company's books and records. Under no circumstances shall per diem payments or allowances be provided to a government official, nor shall the BHE Company pay for any portion of expenses incurred by any spouse or other family member of a government official.

Facilitating Payments. The FCPA permits "facilitating or expediting payments" made in furtherance of routine governmental action. Examples of "routine governmental action" include processing visas or Customs forms. Routine governmental action does not include discretionary acts such as a decision to award new business or to continue business with a particular party. Thus, paying a government official a small amount to have the power turned on at a factory might be a facilitating payment under the FCPA, but paying an inspector to ignore the fact that the company does not have a valid permit to operate the factory would not be. Some countries have more restrictive rules regarding facilitating payments; for instance, under the U.K. Bribery Act, all facilitating payments are illegal. Facilitating payments are authorized only upon the advance written approval of BHE's Compliance Officer.

Political Contributions: Consistent with local law, political contributions cannot be made to obtain or retain business, direct business to another person or entity, or to obtain an improper advantage.

The FCPA's Accounting and Internal Control Provisions. The FCPA imposes strict accounting and recordkeeping requirements on the BHE Companies. These accounting provisions have two primary components, the books and records provision and the internal controls provision.

Books and Records

The accounting provisions require Berkshire and its subsidiaries to maintain books and records which accurately and in reasonable detail fairly reflect transactions and the disposition of assets. This

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requirement extends not only to the general ledgers but also to all documents that describe business transactions and dispositions of assets such as invoices, receipts, expense reports, purchase orders and shipping documents. False, misleading or incomplete entries in company records are prohibited. This Policy also prohibits the maintenance of undisclosed or unrecorded funds or accounts. Because the books and records provision does not include a materiality requirement, any false record, no matter what the amount, can give rise to an FCPA violation. Therefore, all personnel must take responsibility for compliance with the books and records requirements of the FCPA. No employee should assume that accurate books and records is the responsibility of just those in finance and accounting.

Internal Controls

The internal controls provision of the FCPA requires Berkshire and its subsidiaries to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (1) transactions are executed in accordance with management's general or specific authorization; (2) transactions are recorded as necessary to: (a) permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements and (b) maintain accountability of assets; (3) access to assets is permitted only in accordance with management's general or specific authorization; and (4) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. It is the policy of the BHE Companies that all transactions be recorded in a timely, consistent and accurate manner in terms of amount, accounting period, purpose and accounting classification. Furthermore, the BHE Companies must abide by the following rules:

- Each transaction or disposition of assets by a BHE Company must have proper authorization. Receipts must be obtained and kept for any travel, gifts or entertainment provided to a government official. A request for reimbursement for such expenses must be accompanied by supporting documentation including: (a) a description of the expenditure; (b) its purpose; (c) identification of the recipient of the funds; (d) the amount of money spent; and (e) the manner of payment. These records should be periodically monitored for compliance with this Policy.
- No secret or unrecorded fund or asset of a BHE Company shall be created or maintained, and no accounting balances shall be created or maintained that do not have documentary support, are fictitious in whole or in part, or have no reasonable basis in fact.
- No checks of a BHE Company may be written to "cash," to "bearer," or to third-party designees of a party entitled to payment. Other than documented petty cash transactions, no cash transactions may be made, unless such transaction is evidenced by a receipt bearing the signature of the recipient and the recipient is a party with whom the BHE Company has a written contract.
- All petty cash accounts must be maintained with strict controls to ensure that no cash is dispensed without the proper approvals. Approval must be subject to the recipient's demonstration that the funds are to be expended only for a proper purpose. The use of cash should be limited to the extent possible, and all uses of cash must be appropriately documented with receipts from the BHE Company personnel receiving and dispensing the cash. Documentation supporting petty cash transaction should include: (a) the business purpose for the use of the cash as well as the date; (b) the amount paid; (c) the name of the person dispensing the cash; and (e) the name of the person receiving such cash from the Company account as well as the name of the ultimate recipient of the cash.
- Payments to Intermediaries should be made only in the country where the Intermediary provides the services or in the country, if different, in which the Intermediary has its headquarters. The practice of transferring funds to accounts in countries other than the location of the services or the Intermediary's headquarters is not permissible unless the Intermediary provides a valid business purpose and proper supporting documentation and the transactions are authorized by the BHE Compliance Officer.

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- Access to systems of accounting or financial records shall not be given to individuals without proper authorization. Destruction or removal of a BHE Company's records may be undertaken only in compliance with the BHE Company's internal record retention policy and the policy of Berkshire.

Any individual who has reason to believe that a violation of the foregoing rules may have occurred at any BHE Company (including that a payment to a government official was mischaracterized in a BHE Company's books and records) must promptly report that concern to his or her supervisor or the BHE Compliance Officer, or through the Berkshire Ethics & Compliance Hotline. Any inquiry from the internal or independent auditors of the BHE Company must be responded to fully, accurately and promptly.

Penalties

A violation of the FCPA can result in serious consequence for a BHE Company and for the individuals involved. Criminal penalties for individuals include fines up to 250,000 per violation and imprisonment of up to five years for Anti-Bribery violations and fines up to \$5,000,000 per violation and imprisonment of up to twenty years for violations of the accounting provisions. Individual officers, directors and employees may be prosecuted even if the company for which they work is not. Fines assessed against individuals may not be reimbursed by any BHE Company.

The FCPA criminal provisions establish that companies may be fined up to \$2,000,000 for an Anti-Bribery violation and up to \$25,000,000 for each violation of the accounting provisions. Under alternative sentencing provisions, these fines can be even higher. The FCPA also allows a civil action for a fine of up to \$10,000 against any company or person that violates the FCPA, although that sum also can increase substantially depending upon the circumstances.

All Improper Payments Prohibited. While the FCPA applies only to bribes and kickbacks paid to government officials, improper payments to other persons may violate other U.S. laws or the local law of the country in which such payments are made. This Policy expressly prohibits the offering or payment of bribes or kickbacks to any person under any circumstances in order to influence their actions or gain some improper business advantage, whether the recipient is domestic or foreign and whether or not the recipient is a government official. For example, BHE Company employees must not offer or pay anything of value to customers or prospective customers or their employees to induce them to award business to a BHE Company, to influence their actions or to obtain any other improper advantage. BHE Company employees and Intermediaries are prohibited from directly or indirectly engaging in commercial bribery. They must also not receive such payments from any person or company in return for providing an improper advantage such as awarding business to such person or company.

PROHIBITED TRANSACTIONS WITH CERTAIN COUNTRIES AND PERSONS

Each BHE Company and its employees must strictly comply with all applicable economic and trade sanctions and embargo programs under U.S. law, United Nations resolutions and foreign laws and regulations. Compliance requires careful monitoring of, and sometimes prohibitions on, transactions involving target countries and regimes and target individuals, entities, vessels, and aircraft (for example, terrorists, proliferators of weapons of mass destruction and narcotics traffickers). In most cases, violations can result in criminal penalties of up to 20 years in jail, a \$1 million fine, or both, and civil penalties in the amount of the greater of \$250,000 or twice the value of the transaction involved, per violation.

The trade restrictions described below apply to "U.S. persons," which include all companies organized in the United States and their foreign branches, all companies and persons located in the United States, and all United States citizens and permanent resident aliens, wherever located, and for whatever BHE

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Company employed. For purposes of the U.S. embargoes of Cuba and Iran, described below, foreign entities owned or controlled by U.S. persons are also covered.

The policies set forth in this Section III must be adopted by all BHE Companies that are organized in the United States or that have U.S. operations. Any BHE Company that is organized outside of the United States and does not have U.S. operations should carefully evaluate its legal obligations with respect to these trade restrictions, taking into account such factors as its ownership, the citizenship of its employees and the nature and location of its operations, and shall adopt all portions of this Policy that are applicable to its operations, or are otherwise prudent, to the extent consistent with local law. Any potential conflict between local law and the trade restrictions described below should be addressed by the general counsel of the affected BHE Company in consultation with the BHE Compliance Officer and the BHE Chief Financial Officer or other person designated by the BHE Chief Financial Officer.

Transactions with Cuba, Sudan, Iran, North Korea, Syria, and the Crimea Region of Ukraine.

The United States has instituted comprehensive embargoes against the following countries/geographical regions:

- Cuba;
- Iran;
- North Korea;
- Sudan (with exemptions for certain specified areas of Sudan, and generally excluding the Republic of South Sudan);
- Syria; and
- The Crimea Region of Ukraine

These embargo programs prohibit, with certain exceptions, U.S. persons from engaging in trade, commercial, or financial transactions involving the above countries/regions. Some examples of dealings that may be restricted include:

- Imports into the United States, and, in some cases, into other countries, of goods, technology, software, or services from, or originating in, the embargoed country;
- Exports from the United States or, in some cases, from foreign countries, of goods, technology, software, or services, either directly or through intermediaries;
- Investments in the embargoed country;
- Brokering the sale of goods, technology or services to or from the embargoed country, even if the transaction is done entirely outside of the United States;
- Providing insurance or reinsurance to businesses or property of the embargoed country or its nationals, or for imports from, or exports to, the embargoed country or its nationals; and
- Other transactions in which a financial institution or other person acting on behalf of the embargoed country has any interest.

To ensure compliance with the foregoing laws, no BHE Company to which this Section III applies may engage in any transactions or conduct of the type described above that, directly or indirectly, involves Cuba, Iran, Sudan, North Korea, Syria, or the Crimea Region of Ukraine, without the express prior authorization of BHE Compliance Officer.

Transactions with Certain Blocked Individuals, Entities and Groups. The United States has also instituted economic and trade sanctions programs prohibiting unlicensed transactions, of almost any nature, with designated individuals, entities, vessels, and aircraft. The U.S. Government identifies such individuals, entities, vessels, and aircraft by putting their names on various sanctions lists. The largest and most restrictive of these lists is the list of “Specially Designated Nationals and Blocked

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Persons” (the “SDN List”) maintained by U.S. Office of Foreign Assets Control (“OFAC”) of the Department of the Treasury.

The SDN List includes entities that have engaged in conduct that is inimical to U.S. national security and foreign policy interests, such as “Transnational Criminal Organizations,” “Narcotics Traffickers,” “Terrorist Organizations” and “Proliferators of Weapons of Mass Destruction.” Others on the list include persons and entities from the embargoed countries, as well as others from certain specified countries or regions, including the Balkans, Belarus, Myanmar (Burma), Central African Republic, Cote d’Ivoire (Ivory Coast), the Democratic Republic of the Congo, Iraq, Lebanon, Libya, Russia, Somalia, South Sudan, Ukraine, Yemen and Zimbabwe.

The SDN List is updated frequently (sometimes, as much as several times a week) and available on the internet at: <http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml>. The OFAC website also offers a search engine for the SDN List at <http://sdnsearch.ofac.treas.gov/>.

In addition to prohibiting transactions with SDNs, U.S. persons who come into possession or control of any property in which an SDN has any interest, must place such property in a blocked account and report it to OFAC within 10 business days. Blocking requirements also apply to all Cuban individuals and entities, the Governments of Cuba, Iran, Sudan, and Syria, certain North Korean government agencies, as well as all Iranian financial institutions.

No BHE Company or employee to which this Section III applies may engage in any transactions, or conduct any activities with, any person, entity, vessel, or aircraft on the SDN List (or who is otherwise blocked), whether directly, or indirectly, and any prospective dealings with persons on, or suspected to be on, the SDN List must be immediately reported to the BHE Compliance Officer. Before entering into any transaction, each such company should screen all parties (including vendors and customers) thereto against the SDN and other related lists, including the Sectoral Sanctions Identification List applicable to certain Russian entities, to identify any problematic interests therein. All lists can be found on the Consolidated Screening List available at www.export.gov. In lieu of manual screening, there are a variety of software vendors who can do the screening automatically.

Screening needs to be performed on the owners of entities in which transactions are conducted. OFAC considers any entity that is owned 50% or more by a combination of SDNs, other blocked persons, or certain other listed persons to be blocked/sanctioned.

Facilitation. U.S. law prohibits US persons from approving, financing, guaranteeing, or otherwise “facilitating” transactions by foreign persons that would be prohibited if performed by U.S. persons. Facilitation can also include referral by U.S. individuals of business inquiries from embargoed/sanctioned persons and maintenance of records in the U.S. that are used in connection with transactions with sanctioned persons or embargoed countries.

No U.S. person, BHE Company or employee will facilitate any transaction with any embargoed country or sanctioned person, without an appropriate US Government license having been issued.

Disclosure of Iran-Related Activities. After February 6, 2013, Section 13 of the U.S. Securities Exchange Act of 1934 requires that certain issuers registered with the Securities and Exchange Commission (“SEC”), including BHE, disclose in their public filings and in separate reports to the SEC if the issuer or any of its affiliates has knowingly engaged in certain specified activities related to Iran. For these issuers, quarterly and annual reports filed after February 6, 2013 must include disclosure on all of the reportable activities that occurred during the period covered by the report (e.g., for an annual report, during the fiscal year). Disclosure is required regarding the activities of each of BHE’s subsidiaries which are considered affiliates under the law.

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A broad range of activities is reportable, including those relating to Iran's energy sector, military capabilities, suppression of human rights, or involving certain financial transactions, or Iranian SDNs. Reportable activities include, among others:

- Certain activities relating to Iran's petroleum industry, such as providing insurance or reinsurance contributing to Iran's ability to import refined petroleum products;
- Certain activities contributing materially to Iran's ability to acquire or develop destabilizing numbers and types of advanced conventional weapons or weapons of mass destruction; and
- Certain activities supporting Iran's acquisition or use of goods or technologies that are likely to be used to commit human rights abuses against the people of Iran

In addition, the law requires that issuers disclose any transactions or dealings with any person or entity designated as a global terrorist or proliferator of weapons of mass destruction on the SDN List (whether or not relating to Iran).

The required report must include detailed information such as the nature and extent of the activity, gross revenues and net profits (if any) attributable to the activity, and whether the company intends to continue the activity. Such information is made available to the public, and may result in an investigation or imposition of sanctions by the U.S. Government.

If any employee of a BHE Company has reason to believe that any potentially reportable activity has occurred, he or she must promptly report the matter to the BHE Chief Financial Officer, so that a determination may be made as to whether the activity is of the type required to be disclosed under U.S. law. Because there is no materiality threshold for transactions subject to the disclosure requirement, it is important that BHE be made aware of any and all such activities, even those that may seem minor or incidental.

Ongoing Compliance. As anti-terrorism and foreign policy programs evolve and related rules change, the nature and extent of permitted and prohibited activities could change; for instance, additional countries or persons could become subject to embargoes or sanctions programs, or existing embargoes could be lifted or sanctions programs relaxed, such as in the case of Cuba where travel restrictions and certain exports for the benefit of the Cuban people have recently been authorized. Also, additional or different requirements may be applicable to BHE Companies that are not U.S. persons or that are doing business outside of the United States. Each BHE Company should monitor applicable sanctions programs and other trade restrictions to ensure that its policies remain current. BHE Company employees should consult with the BHE Compliance Officer to confirm compliance with applicable requirements before entering into any contractual or business relationship with persons or involving countries implicating potential embargoes or sanctions programs.

OTHER RESTRICTED TRANSACTIONS

U.S. Anti-Boycott Laws. U.S. anti-boycott laws prohibit U.S. companies and their "controlled in fact" foreign affiliates, to the extent US commerce is involved, from participating in foreign boycotts that the United States does not sanction. Moreover, if a boycott-related request is received, it must be reported to the Commerce Department within 30 days of the end of the calendar quarter in which it was received. Participating in an unsanctioned foreign boycott can also have negative tax consequences.

Although the anti-boycott laws apply to all non-U.S.-sanctioned boycotts imposed by foreign countries, the Arab League's boycott of Israel is the principal foreign economic boycott covered. While the Treasury Department has identified Iraq, Kuwait, Lebanon, Libya, Qatar, Saudi Arabia, Syria, United Arab Emirates, and Yemen as boycotting countries, other countries may be sources of boycott requests, as well.

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It is the policy of each BHE Company to comply fully with all applicable U.S. anti-boycott laws. No BHE Company or its employees may take any action that directly or indirectly supports the boycott of Israel or any other foreign boycott not sanctioned by the United States. Any employee with concerns as to whether a transaction implicates U.S. anti-boycott rules, or the boycott or anti-boycott laws of any other country, should consult with the BHE Compliance Officer and not proceed with the transaction until advised. Moreover, if an employee receives a boycott-related request, he/she must promptly notify the BHE Compliance Officer.

ITAR Compliance. Through the International Traffic in Arms Regulations (“ITAR”), the U.S. Government controls the export, directly from the United States, or indirectly through a foreign country, of any products, software, or technology specifically designed, developed, adapted, modified or configured for a military application and the provision of related defense services to foreign persons. The ITAR prohibit exports of all covered items and deemed exports of covered technology and software, as well as the provision of defense services without a State Department export license having been issued, or an applicable exemption being available. It is the policy of the BHE Companies to comply fully with ITAR. Each BHE Company should evaluate its operations to determine whether it is subject to ITAR and, if so, develop appropriate procedures to address its individual compliance risks.

RETENTION OF THIRD PARTY SERVICES

Prior to selecting, retaining and renewing any third party (including any consultant, distributor, commercial agent or joint venture partner) who will represent a BHE Company in financial transactions with customers or in interactions of any kind with government officials, the BHE Company shall conduct appropriate due diligence concerning the prospective third party. Each BHE Company employing the services of such third parties shall develop and maintain due diligence procedures appropriate to the risks presented. Such due diligence shall include, at a minimum, an evaluation of the third party’s character, qualifications, experience, reputation for integrity, and proven ability to provide the service for which it is being retained. Factors against retention of a third party include any unusual requests for compensation and any unusual payment, shipment or destination terms.

IMPLEMENTATION AND TRAINING

Distribution. The business unit presidents of the BHE Companies are responsible for the enforcement of and compliance with this Policy within their respective areas of responsibility, including distribution of this Policy to senior management reporting to him or her, and distribution of this Policy to each employee, agent or manager who is likely to communicate, interact or have business dealings with government officials or manage persons likely to communicate, interact or have business dealings with government officials.

Training. This Policy and any related documentation must be included in all employee manuals for each BHE Company, shall be provided to each member of senior management of each BHE Company and shall be available to all employees of the BHE Companies. Review and explanation of this Policy and any related documentation shall be made a part of the training for each manager of the BHE Companies and for: (i) each employee, agent or manager who is likely to communicate, interact or have business dealings with government officials or manage persons likely to communicate, interact or have business dealings with government officials; and (ii) employees whose activities impact trade compliance. Periodic training must be provided to these personnel to ensure that they have the knowledge and tools they need to conduct business effectively and in compliance with the FCPA and applicable anti-corruption laws as well as export control and customs laws. In addition, all Intermediaries who may have dealings with government officials on a BHE Company’s behalf should receive anticorruption training approved by the BHE Compliance Officer before they are engaged. Periodic refresher training is required for such Intermediaries. Where appropriate, the training will be

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conducted in the audience's native language; otherwise, training will be provided in English with translation as necessary.

Company Disciplinary Action

Because BHE is committed to compliance with the law and this policy, **the failure of any BHE Company personnel to comply with this Policy will result in disciplinary action up to, and including, termination.**

Disciplinary action may also be taken against the manager of an employee who violates this Policy should the manager fail to properly supervise the employee or know that the employee is engaging in behavior which violates the Policy and fail to stop or prevent such behavior.

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Corporate Image and Reputation

Updated: April 2014

This policy applies to all subsidiaries of Berkshire Hathaway Energy, including HomeServices of America, Inc. and its subsidiaries. The HomeServices legal department can assist with contacting appropriate Berkshire Hathaway Energy legal staff if guidance is needed related to this policy.

Berkshire Hathaway Energy works hard to maintain and develop our corporate identity. This identity is expressed in a number of ways including the company trigon, trademarks, copyrights, photo images and by reference to our corporate name. Berkshire Hathaway Energy wants to ensure that its good reputation and credibility is preserved at all times. For this reason, no employee is permitted to authorize or approve any supplier request to use the Berkshire Hathaway Energy corporate trigon, the Berkshire Hathaway Energy name, trademarks, photo images, or other intellectual property of the company. When appropriate, such authority can only be granted by the president of the business.

Failure to comply with this directive is grounds for disciplinary action up to and including the termination of employment.

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Voluntary Separation

Updated: December 2014

A voluntary separation is defined as an employment termination initiated by the employee. It includes, but is not limited to, the following reasons: accepted another position, returned to school, suffered a long term illness, experienced job dissatisfaction, relocated, encountered personal circumstances requiring a job change or abandoned job. The company considers a failure to report to work without notice from an employee for two consecutive workdays to be job abandonment.

When an employee resigns, management requests a two-week written notice. An employee must work on his/her final day of employment unless on an approved leave of absence. Paid Time Off (PTO) cannot be applied to extend an employee's final day of employment beyond their last active day at work. Management may, in its discretion, require the resigning employee to cease employment prior to the end of the two-week notice period.

Employees must return all company property on or before their last day of employment. The employee's supervisor or human resources will complete an exit checklist with the employee to ensure company property is properly returned and the company has forwarding contact information for the exiting employee. Employees are also requested to complete an exit interview questionnaire or may contact the human resources department for a personal exit interview.

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Involuntary Separation/Termination

Updated: December 2014

Involuntary separation is defined as an employment separation initiated by company management. An employee may be terminated from employment involuntarily for reasons that may include poor performance, misconduct or other violations of company policy, work rules, and/or legal, professional or ethical standards of conduct. The company reserves the right to terminate an employee's employment with or without cause and with or without prior notice.

A position elimination is considered an involuntary separation. From time to time, the company may need to terminate an employee as a consequence of reorganizations, position eliminations, economic downturns in business, or lack of work. Terminations that occur for any of these reasons will comply with the Worker Adjustment and Retraining Notification Act (WARN) of 1988, or any similar state regulation, where applicable.

All Involuntary termination requests must be approved by HomeServices corporate human resources prior to the termination being communicated to an employee.

Employees must return all company property on or before their last day of employment. The employee's supervisor or human resources will complete an exit checklist with the employee to ensure all company property is returned and the company has forwarding contact information for the exiting employee. Employees may be requested to complete an exit interview questionnaire or may contact the human resources department for a personal exit interview.

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Eligibility for Rehire

Updated: March 2009

At management's discretion, rehire eligibility will be determined at the time an employee resigns or is terminated from the company. As a general rule, employees terminated for misconduct, policy violations or poor performance, and employees who are not in good standing at the time their employment ends will not be eligible for rehire. When determining rehire eligibility, the manager will consider employees' conduct, work performance evaluations and attendance records over the course of their employment at the company. A voluntary resignation does not guarantee an employee will be eligible for rehire.

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Personal References

Updated: March 2009

It is extremely important that managers refer all requests for information from persons outside of the company on former and current employees to the human resources department or designated third party verification provider. The only exception is in the case of personal references. The company acknowledges the desire some managers have in regard to offering a personal reference for a former employee. The company will allow managers to provide personal references for former employees only if the following conditions are met:

- The employee verbally requested the personal reference from the manager prior to using his or her name as a reference with a potential employer.
- The reference must be explicit in explaining he/ she is not representing the company and that his/her comments are solely a reflection of his/her personal opinion about the former employee.

No written references may be provided on company letterhead. If the manager is unsure how to handle a specific reference request, discuss or direct the request to the human resources department. Managers are not obligated to provide references for departing employees.

Managers who provide personal references in violation of these conditions may be subject to disciplinary action.

Requests for employment verification should be directed to the company's designated third party employment verification service. Telephone and online access information for the employment verification service is found in HR Self Service or can be obtained from human resources.

These policies supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. The company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that notice will be provided prior to a change to the Arbitration Policy. These policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

Acknowledgment HR Policy and Code of Business Conduct

This is to acknowledge that I have received information concerning the HomeServices of America, Inc. HR Policy (the "HR policy"). This information contains important company rules and policies including company administrative policies.

I understand this employee information is neither an express nor implied contract of employment and I understand HomeServices and its subsidiaries are employers at-will, and as an employee I am an employee at-will. Either the company or I may terminate the employment relationship at any time without notice and without cause.

I understand the purpose and content of the HR Policy, acknowledge that it sets forth the guidelines which the company requires me to follow in conducting company business, and acknowledge my responsibility to comply with company policies. I also acknowledge my obligation to follow the guidelines provided by the Berkshire Hathaway Energy Code of Business Conduct and the Berkshire Hathaway Inc. Code of Business Conduct and Ethics. I understand that the most current versions of these documents are available from human resources. I will uphold and apply these guidelines at all times and in all dealings on behalf of the company. Furthermore, I understand that failure to comply with these guidelines will subject me to disciplinary action, up to and including termination of employment.

I have been encouraged by the company to report violations of the code, and I understand that I may, in good faith, report possible violations of the code without adverse consequences to me even if the violations are ultimately proven not to have occurred.

Agreement to arbitrate. I understand the HR Policy includes a policy to arbitrate disputes and I agree to arbitration knowingly and voluntarily with full understanding of the arbitration policy. I understand that the arbitration policy excludes the right or authority for any dispute to be arbitrated as a class, collective or representative action.

I understand that the policies in this HR Policy supersede and revoke any and all past policies and practices, oral and written representations, or statements regarding terms and conditions of employment concerning the subject matter covered herein. I understand that the company reserves the right to add to, delete, change, or revoke these policies at any time, with or without notice, with the exception that the company will provide notice prior to a change to the Arbitration Policy. I understand that these policies do not create a contract of employment between the company and any employee, nor do they create any entitlement to employment or any benefit provided by the company to its employees.

I understand that the policies are confidential documents and that without approval from human resources, they may not be copied or distributed to others who are not employees of the company.

Employees sign this acknowledgment electronically and may retain this copy for personal records.