



**Inversiones Jacar, S. A.
"El Faro Estate"
El Palmar, Quetzaltenango**

INTERNAL CODE OF LABOR

Name	Finca El Faro Inversiones Jacar S.A.
Trade Name	Inversiones Jacar, S. A.
Course of Business	The corporation is engaged in the production of both coffee and macadamia nut
Tax Identification Number	1416978-9
Object	Production of several agricultural products
Principal place of business	Sate of Quetzaltenango
City	El Palmar

**CHAPTER I
GENERAL PROVISIONS**

Section 1. These Corporate Employment Regulations are executed pursuant to Title II, Chapter IV, Sections 57 to 60 of the Labor Code, in order to regulate the specific and mandatory conditions that will govern the employment and actual performance of responsibilities of the employees of *Inversiones Jacar S.A.*

Section 2. The provisions hereof also referred to herein as the "Regulations" or "these Regulations", once approved by the General Employment Inspection Agency, must be complied by the employees, hereinafter also referred to as "the Personnel" or "the Employees", and enforced by the Company, hereinafter also referred to as "the Employer" or "the Company".

Section 3. These Regulations, according to the subject matter law, shall be posted in two conspicuous places at the working facilities, centers or locations of *Inversiones Jacar, S.A.* to be available to such individuals referred to therein and bound thereby, or shall be printed in a brochure to be distributed to all the employees.

Section 4. Employee benefits and job performance standards, as determined in these Regulations, shall be fulfilled, and any violations thereof shall be subject to a specific penalty determined in the disciplinary standard actions hereof.

Section 5. The Company's Management is the only authority responsible for the organization, direction, management, and for any technical, material, personnel and systems policy-setting, and shall be exercised including, but only limited to the provisions provided for in the Labor Code, Labor Law, Regulation and Legal Provisions applicable to and resulting from its activity.



Section 6. Any provisions provided for herein contrary to the standard practices of the Company, and/or weakening the rights previously acquired by the Employees and/or conferred by the labor laws are null and void by mere operation of law.

Section 7. These Regulations specify the minimum benefits given by the Employer to the Employees, regardless of any subsequent improvement thereof, whether on the Company's own free will or by statutory provisions.

Section 8. The principle of job performance is enforceable; consequently, all employees must perform in a proper manner and according to their category or field of expertise.

CHAPTER II

HIRING CONDITIONS

Section 9. The relations between the Employer and the Employees shall be put into effect upon the execution of an Individual Employment Contract, in accordance with the respective labor laws, and once the Employee has satisfied the requirements established herein. In accordance with the law, any newly hired employee is subject to a two-month probation period; thus, an employee may be released from employment during such orientation period without any responsibility whatsoever from either party.

Section 10. Any person joining the Company shall fulfill the following requirements:

- a) Be of legal age
- b) Be a born Guatemalan citizen

Section 11. Any employees hired for a fixed term or to perform any given work will terminate their employment with the Company at the expiration of the specified term or at the conclusion of the work for which they were hired, without any responsibility for the parties.

Section 12. If the employee to be hired is a foreigner, the Company will previously obtain the labor permit from the Department of Labor and Social Security, an essential and vital prior requirement for employment.

Section 13. After meeting the above conditions and upon agreement of the terms in which the service or work will be performed, an employment contract will be executed in original and two copies, and filed with the General Employment Administration, within 15 days after the execution thereof. Once approved, a copy will remain at such Administration as a supporting document, another copy will be given to the employee, and the original will be kept in the files of the Company.

CHAPTER III

JOB DESCRIPTIONS, PAYMENT OF SALARIES, AND PAY PERIOD

Section 14. The job descriptions of the employees hired by the Company, compensation payment, and method of payment, are as follows:



<u>JOB DESCRIPTION</u>	<u>SALARY PAYMENT</u>	<u>PAY PERIOD</u>
1. President	Monthly	Fortnightly
2. General Manager	Monthly	Fortnightly
3. General Administrator	Monthly	Fortnightly
4. Administrative Assistant	Monthly	Fortnightly
5. Educational Coordinator	Monthly	Fortnightly
6. Comptroller	Monthly	Fortnightly
7. Operations Manager	Monthly	Fortnightly
8. Production Manager	Monthly	Fortnightly
9. LombriFert Manager	Monthly	Fortnightly
10. Maintenance Manager	Monthly	Fortnightly
11. Finance Secretary	Monthly	Fortnightly
12. Inventory Supervisor	Monthly	Fortnightly
13. Educational Assistant	Monthly	Fortnightly
14. Nursery Supervisor	Monthly	Fortnightly
15. Field Supervisor	Monthly	Fortnightly
16. Production Technician	Fortnightly	Fortnightly
17. LombriFert Technician	Monthly	Fortnightly
18. Maintenance Supervisor	Monthly	Fortnightly
19. Assistant	Fortnightly	Fortnightly
20. Moving Attendant	Monthly	Fortnightly
21. Day Laborer	Fortnightly	Fortnightly
22. Production Assistant Manager	Monthly	Fortnightly
23. Machinery Supervisor	Monthly	Fortnightly

The job description above shall not be a predetermined limitation on the amount of people, i.e., they are merely enunciatively and not restrictive. In addition, not necessarily infer the inclusion of all jobs available or the obligation of the Company for limiting and provided all the above jobs. Therefore, the above list will not prevent the Company from creating or canceling any or all jobs when needed.

Section 15. During periods of increased work volume, transfers, emergencies or urgent need to supply orders, the Company shall hire temporary and/or part-time employees. Such employees will be classified as temporary workers, and will be compensated according to the time worked.

CHAPTER IV **REGULAR WORK SCHEDULE**

Section 16. The regular work schedule for the Employees is as follows:

ADMINISTRATIVE STAFF: MONDAY THROUGH FRIDAY, from 8:00 a.m. to 12:00 p.m. and from 1:00 p.m. to 5:00 p.m., with one-hour meal period; and SATURDAYS from 8:00 a.m. to 12:00 p.m.

FIELD OPERATIONAL STAFF: MONDAY THROUGH FRIDAY, from 6:00 a.m. to 2:00 p.m., with one-hour meal period; and SATURDAYS from 6:00 a.m. to 10:00 a.m.



Section 17. Any work performed beyond regular work schedule as established herein, prior agreement between the Employee and the Employer, shall be paid as overtime.

Overtime shall be paid with an increase of at least 50% over the employee's regular salary. If overtime is performed during holidays or any weekly day off, employee shall be paid an additional 100% over the regular salary.

Any overtime deemed necessary or critical to prevent or repair any accident or any other unexpected or urgent damages that may put people, the premises, equipment, facilities, plantations, products or crops at risk, and without any obvious prejudice, the employees cannot be replaced or stop the work of the people at work, then, the employees are bound to execute such works, regardless of any overtime payment.

Section 18. Any period of time used by an employee beyond the regular work schedule to cure any errors, which are his/her only responsibility, or to recover any time lost from work or inactivity shall not be considered overtime. Under these assumptions, such employee must report it to his/her immediate supervisor for approval.

Section 19. Under these Regulations, all employees are responsible for good attendance and punctuality when entering and leaving the working premises. For such purpose, the Company shall install or establish any controls as deemed convenient.

Employees failing to be responsible for their punctuality shall be penalized according to the disciplinary actions established in these Regulations by installing or establishing such controls as it may deem convenient.

Employees not following the above rules shall be disciplined according to these Regulations, unless, in the opinion of the immediate supervisor, there is reasonable cause for the employee's delay to attend work.

Employees are not authorized to leave the business premises before the end of the regular work schedule except with the authorization of the immediate supervisor.

Section 20. Once the workday schedule has been completed, all employees should leave the working premises, unless authorized by their immediate supervisor to stay in the premises working overtime or in order to prevent or repair accidents or any other unexpected and urgent damages.

Section 21. Regular employees unable to perform their regular job responsibilities should report the absence to the Employer or Supervisor, Managers and Heads of division for the Administrative Staff; or Services Chief Office, Supervisors, or Group Heads for the Operational Staff. And if deemed necessary, by any legal means available, such authorities shall confirm the accuracy of the disability leave, which shall be substantiated when the employee returns to work. Reporting does not imply that the absence is justified.

Section 22. If an employee fails to comply by not reporting as established in Section 21 above, first thing on the day returning to work the employee shall produce evidence for the reason of his/her absence. If the absence is not as a result of a cause, corrective action shall be applied on the employee in accordance with these Regulations and/or the applicable Labor Law.



Section 23. When absence is due to illness and does not exceed 24 hours, employees shall submit a Medical Certificate issued by a physician doing private practice, or any supporting document delivered by the Guatemalan Social Security Administration (*I.G.S.S.*). However, when absence due to illness is more than one day, a certificate issued by the Guatemalan Social Security Administration of the reason for the leave of absence should be submitted, and it shall be the only explanation to be accepted by the Company.

CHAPTER V

SALARY PAYMENTS

Section 24. Regular salaries and overtime shall be paid to the employees either personally or to a family member designated in writing or in a certificate issued by a labor authority.

Payment will be made in a currency of legal tender, at the *Finca El Faro Inversiones Jacar S.A.* premises, *El Palmar*, Quetzaltenango, at regular work hours and as follows:

Regular Administrative Employees shall be paid on a monthly basis, with a salary advance on day 15 of every month, at the office of "*Finca El Faro*", *El Palmar*, Quetzaltenango.

Regular Operational Employees shall be paid fortnightly, on day 15 of every month, at the office of *Finca El Faro*, *El Palmar*, Quetzaltenango.

If payment day is a non-working day, then salaries shall be paid the immediately prior working day.

Section 25. Employees shall issue evidence of any amounts received as salaries, benefits, overtime, and any deductions established by law now or in the future. Claims for money missing in any payment shall be made immediately at the time of payment. When the difference is in the computation of the work performed, the claim shall be made within the following week.

CHAPTER VI

LEAVES OF ABSENCE, WEEKLY DAYS OFF, HOLIDAYS, VACATIONS, CHRISTMAS BONUS AND OTHER BENEFITS

Section 26. Employees can take leaves of absence for personal reasons and must be approved well in advance by their boss, group head, supervisor, manager, or division manager, by using a form provided by the Company, and for qualification purposes, stating the reason for the approval of such leave.

After evaluating the application, and given full consideration of the reasons for such leave of absence, and if approved by the authority such approval must be express and establish whether the leave of absence is paid or unpaid, under the Company's policy. If a written approval of leave of absence is denied, employees may not cease work, and in the event of absence, the Company shall take disciplinary action, and employees shall not be entitled to payment of salary for such day of work.



Section 27. Under Section 61, paragraph Ñ) of the Labor Code, as amended by Decree 64-92 of the Congress of Guatemala, employer shall authorize employees the following paid time off:

- a) 3 days off for death of spouse, or common-law husband or wife, parent, or child
- b) 5 days off for getting married
- c) 2 days off for the birth of a child
- d) If summoned by a court, the time necessary to appear in the court, provided, however, that it shall not exceed half-day if appearing within the competent jurisdiction, and one day off if the appearance in court is out of town.

Section 28. All employees are entitled to a weekly paid day off. A 5 or 6-day week will be computed as determined by the standard business practice.

Employees working for unit of work or on commission will be added a sixth part of the salaries earned in the same week.

Employees on the regular work schedule shall also be entitled to this day off, as established in the respective Individual Employment Contracts, even if the hours are not worked on a continuous basis.

Employer shall pay one weekly day off, even if one or more holidays fall in the same week, and also when one paid holiday and one weekly day off fall within the same week.

Section 29. All employees shall be entitled to paid holidays, as determined in Section 127 of the Labor Code and Resolution No. 1974, as well as such holidays declared in the future or granted by the will of the Employer. These holidays are:

January 1, New Year's Day
Good Thursday, Good Friday and Easter Saturday
April 26, Secretary's Day (day-off for secretaries or paid as overtime instead)
May 1, Labor Day
May 10, Mother's Day (day-off for working mothers)
June 30, Army's Day
September 15, Independence Day
October 20, Revolution's Day
November 1, All Saints Day
December 24, (half day off after 12:00 p.m.)
December 25, Christmas Day
December 31, (half day off after 12:00 p.m.)
The day of the local town's festivity

Section 30. When deemed necessary because of the type of work performed, Employees may accept to work during the holidays or weekly days-off prior approval from the General Employment Inspection Agency. Employees are entitled to payment for the time worked during such holiday or weekly day off, and such time shall be computed as overtime, regardless of their



Section 31. All pregnant female employees shall be paid maternity leave 30 days before and 54 days after giving birth, as provided for in Section 152 of the Labor Code, as amended by Section 12, Decree 64-92 of the Congress of Guatemala.

Section 32. After a continuous year of service in the Company, all employees are entitled to take 15 working days as paid annual vacation, according to the vacation schedule determining by the Company subject to business operating requirements. In those cases where employees are not required under the employment contract to work every hour of a regular working day nor every days of the week, employees should have worked at least 150 working days in one calendar year.

Section 33. Employees are not required to submit their vacation requests in advance for the Employer to determine their vacation time, within 60 days after a continuous year of service has been completed.

Section 34. When an employee terminates employment for any reason whatsoever, before completing one year of continuous service or before acquiring the right for a new period, Employer shall prorate the vacation time in accordance with the service time.

Section 35. Employees shall provide written record of any vacation time taken, and reported accurately.

Section 36. In order to determine the amount to be paid as vacation time, the Company will pay Employees on the basis of average of regular salaries and overtime earned by Employees during the last three months, if employees work with agricultural or cattle-raising companies, or during the last year for any other business. This benefit shall be paid in advance.

Section 37. In accordance with Decree 76-78 of the Congress of Guatemala, Employees will be paid Christmas Bonus as follows:

The Company shall pay Employees a Christmas Bonus equivalent to 100% their monthly salary regular salary or wages earned in a continuous year of service, or the proportional part to the time worked. Fifty percent will be paid the first fortnight of December of each year, and the remaining 50%, the second fortnight of January of the following year. However, such employers that by practice, agreements or collective bargaining agreements have paid 100% of the Christmas Bonus in December shall not pay any balance in January.

For the calculation of severance pay, referred to in Section 82 of the Labor Code, a Christmas Bonus earned by the Employee should be computed on a prorate basis for the last six months of service, or for the service time, if not exceeding six months.

Section 38. All Employees, under Decree 42-92 of the Congress of Guatemala, shall be paid an ANNUAL BONUS (14th SALARY BONUS) equivalent to 100% of their monthly regular wages or salary. In order to determine the amount, the average annual earnings for the year ending in June will be used as the basis for such employees working for the employer for a continuous year. On the other cases, it will be proportional to the time worked. The bonus should be paid during the first 15 days of July, and must be recorded and reported accurately.



Section 39. According to Decree 37-2001 of the Congress of Guatemala, employees working for the private sector will be paid an INCENTIVE BONUS of 1.04 cents per one regular hour of work, equivalent to Q.250.00 per month.

CHAPTER VII

PETITIONS AND CLAIMS

Section 40. Employees shall submit claims and petitions regarding the working condition either verbally or in writing to the managers or heads of division. If the issues are of collective nature or of general interest, can be presented through three representatives duly authorized to accept any decision adopted.

In such cases that the claims or petitions cannot be resolved immediately, Employees shall be informed of the resolution within a period not to exceed 15 days.

CHAPTER VIII

EMPLOYEE RESPONSIBILITIES

Section 41. Besides the responsibilities determined by the current Labor Code and legal provisions, the following is expected from the employees:

- a) To observe good attendance and punctuality, according to the specific work schedules established herein.
- b) To comply with the instructions given by their supervisors, methods, procedures and quality controls established by the Company for the production of better products. Noncompliance of the above will result in making the employee liable in civil and criminal damages caused by negligence.
- c) Employees terminating employment with the Company shall return to the Company all uniforms, working tools, materials, accessories, vehicles and effects received for their use at work in good working conditions, wear and tear excepted, or reimburse the cost thereof, if not returned, or if the wear and tear was a result of improper or negligent handling thereof.
- d) When regular employees are away from work to visit the Guatemalan Social Security Administration, they must fill a sick time form, and deliver it one day in advance, and the Company will make interim staffing arrangements to cover the position, and shall submit a certificate of their visit to the social security services, otherwise, the Company...
- e) When employees are unable to perform their job duties for reasonable cause, the absence should be reported immediately to the Company through any means available; and upon returning to work, shall submit the report accordingly.
- f) To report, when learning that a fellow worker is implicated in acts that may impair the company in any way



- g) To undergo medical examination when required by the Company
- h) To attend any courses the Company may deem necessary, and collaborate in the continuous training of other employees, to work with the required know-how and efficiency, and maintain the quality of service required for the business.
- i) To report any accident to the employees in the workplace and to provide first aid.
- j) To show courtesy, moderation and discretion to their fellow workers or with whom they have to deal in any matter regarding the Company
- k) To be diligent in the execution of their responsibilities, and to meet any safety standards and orders indicated by their supervisors.
- l) To use and handle carefully any objects, utensils, tools, machinery and implements provided to them for the performance of their job duties, or anything under responsibility, especially in handling technical equipment.
- m) To help their coworkers in moving heavy objects or bundles, giving priority to the use of technical equipment.
- n) To return as determined by the standard procedures, any tools, equipment, and other implements provided for the execution of their responsibilities.
- o) To report immediately to the Company any change of residence and provide the new address.
- p) To comply accurately and with the highest diligence and care, with all job related instructions received from their supervisors, so that claiming ignorance or lack of knowledge shall not be an excuse for such failure. Therefore, all employees shall be bound to any verbal or written instructions given to them, even if on an individual or collective basis, for one or several divisions or workplaces.
- q) Employees responsible for any machines or equipment shall maintain such machines or equipment in good working conditions and clean, and shall report their supervisor any irregularity in the operation thereof, but generally shall refrain from carrying out, at its own risk and account, any repair, reconstruction or similar recondition, unless with prior approval.
- r) To follow any orders from their supervisor, limiting them to comply with such orders.
- s) To be duly respectful to their job supervisors, and fellow workers.
- t) To comply literally with the instructions given to them either verbally, in writing or through circular letters posted by the Company in conspicuous places for their information.



CHAPTER IX

COMPANY RESPONSIBILITIES

Section 42. Besides the responsibilities provided for in the Labor Code and current legal provisions, the following shall be the Company responsibilities:

- a) To pay any and all salaries as established herein
- b) Each employee shall be treated with respect and dignity, and no offensive action, whether verbal or otherwise shall be tolerated.
- c) To attend to the labor and the Guatemalan Social Security Administration authorities inspecting the Company premises for the compliance of the current Labor Code, Regulations and laws, and, after due identification to provide any and all documentation requested by such authorities.
- d) To provide employees any and all utensils, equipment, and materials necessary to perform their job duties, provided, however, that the employer has not agreed on the use of their own tools.
- e) To furnish all the Company workplaces with first-aid kits with the necessary medications to provide medical care in case of minor accidents or emergencies.
- f) To follow the legal procedures established by the Labor Code, as amended, before discharging any pregnant or nursing women employee.

CHAPTER X

EMPLOYEE SPECIAL OBLIGATIONS AND RESPONSIBILITIES

Section 43. The main duties and special responsibilities, however not limiting, of employees, according to their title and position, and as previously agreed in the Individual Employment Contract, are as follows:

PRESIDENT

- To execute any interim and final share certificates
- To preside the meetings of the Board of Directors
- To chair the General Shareholders' Meetings
- To carry out any acts and execute any agreements within the ordinary course of business of the Company, with the prior favorable decision of the Board of Directors
- To extend, accept or endorse any securities, and to report such actions in the next meeting of the Board of Directors
- To execute, together with the Secretary, the proceedings of the General Shareholders' and Board of Directors' meetings
- Any other responsibilities as determined by the General Shareholders
- Any other duties inherent to the position



GENERAL MANAGER

- To execute any acts and agreements within the ordinary course of business, with the favorable decision of the Board of Directors
- To enforce the standard procedures and provisions governing the Company
- When necessary, to be responsible for the administration and good operation of the Company with all civil, administrative, military and judicial authorities, in order to safeguard the Company's interests
- To be the hierarchical supervisor for the entire staff and to cause to maintain good relationships among the employees
- To propose to the Board of Directors the appointments and dismissals of the personnel
- To cause to keep updated any and all trade, economic and operative policies, and any other policy in order to maintain the good standing and competitiveness of the Company with other companies engaged in the same or similar activities
- To legally represent the Company, either in court or out of court
- To carry out any other activities inherent to the position
- Any other responsibilities resulting from the position

GENERAL ADMINISTRATOR

- To enforce the standards, policies and procedures established by the General Manager
- To be the hierarchical supervisor of the entire staff and to cause to maintain good relationships among the staff
- To be responsible for the good administrative operations of the Company
- To coordinate the annual, monthly and daily business plans, making sure that such plans are accomplished
- To coordinate that the different divisions of the Company accomplish their predetermined responsibilities
- To offer unconditional support to the entire staff in matters related to the Company
- To train the members of the staff on a continuous basis
- To cause to maintain good relationships among the employees
- To report to the General Manager any irregularity that may interrupt the good administrative operations of the Company
- To delegate duties on the staff under his/her supervision, taking full responsibility for the staff's actions
- To maintain constant communication with the entire staff
- To report on a daily basis to the General Manager the course of business of the Company
- To carry out any other activities resulting from the position
- All other responsibilities inherent to the position

ADMINISTRATIVE ASSISTANT

- To offer administrative, technical and logistics support to the Administrative Manager
- To make sure that the standards, policies and procedures established by the General Manager are complied with
- To visit daily the different divisions of the company to provide administrative, technical and logistics support
- To prepare a daily report of all and every activity and deliver it to the General Manager
- To collect labor statistics for analysis by the Administrative Manager and the General Manager
- To cause to maintain the good relationship among the staff
- To prepare annual, monthly and daily business plans, and enforce them
- Once every month, to visit the technical advisor, general manager, and administrative manager.



- To keep the technical advisor informed of the course of business regarding the coffee harvesting technical administration.
- To carry out any other activities inherent to the position
- All other responsibilities resulting from the position

EDUCATIONAL COORDINATOR

- To cause to maintain good educational, cultural and physical formation of the employees' children
- To cause to maintain good relationships among the employees' children
- To train children in practical extracurricular activities
- To advise and train all illiterate employees
- To give advice to the Educational Assistant
- To attend to the requirements of the Department of Education
- To attend a monthly meeting with the Company's administrative staff
- To prepare annual, monthly and daily business plans and to enforce such plans
- To carry out any other activities resulting from the position
- Any other responsibilities inherent to the position

COMPTROLLER

- To provide services to all employees in matters regarding personal loans and payroll payment claims
- To meet the requests for payment from suppliers and creditors
- To authorize the daily issuance of checks as required by the Company's divisions, and in accordance with the monetary resources available
- To tend to the General Manager's and Administrative Manager's instructions regarding the Company's activities
- To review the current accounts, banks and payrolls balances
- To authorize the issuance of checks for suppliers or creditors
- To process and prepare payrolls for each pay period with their attachments
- To supervise the work of the administrative staff
- To meet the financial and administrative standards and policies governing the Company, according to the standards and policies established by the Department of Labor
- To sign every fortnight the paychecks, as well as such checks to suppliers, vacation time, termination payments, and employee loans
- To keep the general manager informed on a daily basis on the course of business in the financial department
- To carry out any other activities inherent to the position
- Any other responsibilities inherent to the position

OPERATIONS MANAGER

- To make sure that the standards, policies and procedures established by the General Manager are literally complied
- To follow the Administrative Manager's orders
- To enforce the business plans
- To communicate the monthly, weekly and daily business plans to his/her employees
- To assign the job duties to the staff under supervision
- To make sure that the employees under his/her orders fulfill their assigned duties
- To report to the administrative Manager any failure of the employees to comply with their job duties
- To prepare a daily report of the tasks and work performed



- To cause to maintain good relationships among the staff
- To carry out all other activities resulting from to the position
- Any other responsibilities inherent to the position

PRODUCTION MANAGER

- To make sure that the standards, policies and procedures established by the General Manager are complied with
- To make sure that the Production Department meets the quality standards established by the General Manager
- To follow the Administrative Manager's orders
- To make sure that the business plans are accomplished
- To communicate the monthly, weekly and daily business plans to the staff under supervision
- To assign the different responsibilities to the staff under supervision
- To make sure that the employees under supervision accomplish their responsibilities
- To report to the Administrative Manager any noncompliance of job duties by any employees under his/her supervision
- To make sure to update the coffee production reports for the stages of receiving, pulping, washing, delivery through the channels at the bottom of the fermentation tanks, soaking, pre-drying, drying, bagging and storage
- To cause to maintain good relationships among the employees
- To carry out any other activities resulting from the position
- Any other responsibilities inherent to the position

LOMBRIFERT MANAGER

- Responsible for the worm reproductive process for the production of dung to be used as organic fertilizer
- To enforce the standards, policies and procedures established by the General Manager
- To make sure that the Lombrifert Department complies with the quality standards established by the General Manager
- To follow the Administrative Manager's orders
- To make sure that the business plans are accomplished
- To communicate the monthly, weekly and daily business plans to the staff under supervision
- To assign the different job duties to the employees under supervision
- To make sure that staff under supervision accomplishes the assigned responsibilities
- To report to the Administrative Manager any failure to fulfill the job duties by the employees under supervision
- To maintain weekly meetings with the Administrative Manager
- To constantly train the staff under supervision
- To motivate the staff under supervision
- To prepare research technical analysis
- To prepare production reports and statistics
- To cause to maintain good relationships among the employees
- To carry out any other activities inherent to the position
- Any other responsibilities inherent to the position

MAINTENANCE MANAGER

- To be responsible for the construction, supervision and maintenance of the Company's structures
- To enforce the standards, policies and procedures established by the General Manager
- To make sure that any house, warehouse, outlets, offices and working structures, with the



respective equipment, are in good working conditions

- To cause employees to maintain good relationships
- To inform the Administrative Manager of any news or irregularities in the Company's structures
- To maintain a safe work environment in the workplace
- To provide maintenance support to the different departments
- To make weekly, monthly and annual budgets of any materials and staff required in the different jobs
- To carry out any other activities resulting from the position
- Any other responsibilities inherent to the position

FINANCE SECRETARY

- To provide logistic and administrative support to the Comptroller
- To follow the Comptroller's orders precisely
- To make sure that the office is always clean and tidy
- To carry out any other activities resulting from to the position
- Any other responsibilities essential to the position

INVENTORY SUPERVISOR

- To enforce the standards, policies and procedures established by the General Manager
- To follow the Administrative Manager's orders
- To supervise the entrance and exit of materials from and to the supplies storage room
- To prepare daily report of materials turnover
- To personally deliver each piece of material to the person who requested it
- To prepare an individual report for every material that leaves the storage room specifying the delivery date, amount and destination
- To maintain the inventory area clean and tidy
- To be responsible for the stock in hand of every material
- To carry out any other activities that are essential to the position
- Any other responsibilities are vital to the position

EDUCATIONAL ASSISTANT

- To follow the Educational Coordinator 's orders
- To give support and assistance to the Educational Coordinator
- To cause to maintain good educational background, and cultural and physical training for the employees' children
- To attend to the good relationships among the employees' children
- To train the children in practical extracurricular activities
- To attend a monthly meeting with the Company's administrative staff
- To prepare and enforce annual, monthly and daily budgets and business plans
- To carry out any other activities that are essential to the position
- Any other responsibilities crucial to the position

NURSERY SUPERVISOR

- To be responsible for providing the field staff with the best nursery quality, free of diseases and deficiencies
- To enforce the standards, policies and procedures established by the General Manager
- To enforce the business plans established by the General Manager and the Technical Advisor
- To follow the Administrative Manager's orders
- To communicate monthly, weekly and daily the business plans to the staff under supervision



- To assign the different job duties to the staff under supervision
- To make sure that staff under supervision accomplishes the assigned responsibilities
- To make sure that the business plans are accomplished
- To attend to good relationships among the staff
- To report to the Administrative Manager any failure to comply with the job duties by the staff under supervision
- To report any news or irregularities in the growth of the young plants
- To prepare a daily report of the tasks performed
- To prepare a daily report of the products used with the respective dosages
- To make sure that the nursery area is clean and tidy at all times
- To carry out any other activities essential to the position
- Any other responsibilities vital to the position

FIELD SUPERVISOR

- To follow the Operations Manager's orders precisely
- To enforce the standards, policies and procedures established by the General Manager
- To make sure that the field operational staff complies with the quality standards established by the General Manager
- To be responsible for supervising the accomplishment of the field duties
- To assign the field employees any work and specific duties, and determine the workplace
- To prepare a daily report of the task performed for the Administrative Manager
- To be responsible for any duty not performed or any task not performed properly by the day laborer, whether a physical or monetary compensation
- To encourage the staff under supervision
- To cause to maintain good relationships among the employees
- To carry out any other activities essential to the position
- Any other responsibilities vital to the position

PRODUCTION TECHNICIAN

- To follow the Production Assistant Manager's orders
- To be responsible for the handling of the coffee beans during the receiving, sorting, pulping, fermentation, washing, soaking, pre-drying, drying, bagging and storage stages
- To meet the standards, policies and procedures established by the General Manager
- To satisfy the quality standards established by the Manager for the handling of the coffee beans during the different coffee-processing stages
- To inform the Production Assistant Manager any news or irregularities that may be interrupting the coffee-processing
- It is absolutely prohibited to make any decision that may interrupt the coffee-processing without the approval of the Production Assistant Manager or Manager
- To wear the uniform at all times
- To maintain a neat appearance appropriate to the job at all times
- To maintain the workplace clean and tidy at all times
- To maintain the work tools in good conditions and to report the supervisor any malfunction thereof
- To maintain the work tools tidy and in their places
- To carry out any other activities vital to the position
- Any other responsibilities crucial to the position

LOMBRIFERT TECHNICIAN

- To responsible for the handling of worms for its production and their dung to be used as



organic fertilizer

- To follow the LombriFert Manager's orders
- To meet the standards, policies and procedures established by General Manager
- To fulfill the quality standards established by the General Manager on earthworm farming methods
- To receive training once every month
- It is absolutely forbidden to make any decision that may interrupt the worm reproduction process and the organic fertilizer production, without the approval of the LombriFert Manager
- To wear uniform at all times
- To maintain a neat appearance at all times
- To be responsible for maintaining the work place clean and tidy at all times
- To be responsible for maintaining the work tools in good conditions and informing the supervisor of any malfunctioning
- To maintain the work tools tidy and in their places
- To inform the LombriFert Manager of any news or irregularities interrupting the process
- To carry out any other activities essential to the position
- Any other responsibilities crucial to the position

MAINTENANCE SUPERVISOR

- To follow the Maintenance Manager's orders
- To be responsible for the construction, supervision and maintenance of the Company's structures
- To assign the job duties to the assistants and day laborers
- To make sure that the assistants and day laborers working in the Maintenance Department fulfill their predetermined responsibilities
- To report to the Maintenance Manager any failure to fulfill the responsibilities of the assistants and day laborers
- To satisfy the standards, policies and procedures established by General Manager
- To attend to the maintenance of good relationships among the employees

ASSISTANT

- To follow the orders from the staff he/she has been assigned to
- To be responsible for proving services in any of the Company's departments
- To be previously trained before performing any type of work
- To be willing to work rotation
- To follow orders precisely
- To maintain a neat appearance at all times
- To be responsible for maintaining the workplace clean and tidy at all times
- To maintain the work tools in good conditions and inform the supervisor of any malfunctioning
- To maintain the work tools tidy and in their places
- To inform the supervisor in charge of any news or irregularities interrupting work
- To carry out any other activities inherent to the position
- Any other responsibilities crucial to the position

MOVING ATTENDANT

- To be in charge of transferring personnel, tools, equipment and goods from one specific place to another
- To follow the instructions of the Administrative Manager
- To be informed daily of the business plans to be carried out in order to coordinate the time schedule and movements



- To report to the Machinery Supervisor any news or irregularities in the vehicles' operation
- To be willing to make any movements at the time required by the Company, in case of emergencies
- To maintain a neat appearance at all times
- To be responsible for maintaining the vehicles clean and tidy at all times
- To be responsible for maintaining the vehicles in good working conditions and informing the Administrative Manager of any incorrect operations in order to coordinate the time schedule and movements while the vehicles are being repaired
- To inform the Administrative Manager of any news or irregularities interrupting work
- To carry out any other activities essential to the position
- All other responsibilities are vital to the position

DAY LABORER

- Responsible for the execution of several operative duties
- To be willing to work in any of the Company's different job duties
- To follow the Field Supervisor's orders
- To receive previous training before performing any type of work
- To be willing to work rotation
- To follow orders precisely
- To maintain a neat appearance at all times
- To be responsible for maintaining the work place clean and tidy at all times
- To be responsible for maintaining the work tools in good conditions and for informing the supervisor of any malfunctioning
- To maintain the work tools tidy and in their places
- To inform the supervisor any news or irregularities that may be interrupting work
- To carry out any other activities essential to the position
- Any other responsibilities vital to the position

PRODUCTION ASSISTANT MANAGER

- To follow the Production Assistant Manager's orders
- To be responsible for the handling of the coffee beans in the receiving, sorting, pulping, fermentation, washing, soaking, pre-drying, drying, bagging and storage
- To meet the standards, political procedures established by the General Manager and to its enforcement on the production technicians
- To satisfy the quality standards established by the Manager for the coffee beans handling during the different coffee processing stages, and to its enforcement on the production technicians
- To inform the Production Manager of any news or irregularities interrupting the coffee processing
- It is absolutely forbidden to make any decisions that may interrupt the coffee processing, without the approval of the Production Manager
- To wear the uniform at all times
- To maintain a neat appearance at all times
- To be responsible for supervising that the work place is clean and tidy at all times
- To be responsible for supervising that the work tools are in good conditions and to inform the supervisor of any malfunctioning
- To supervise that the work tools are tidy and in their places
- To communicate the monthly, weekly and daily business plans to the staff under supervision
- To assign the different duties to the staff under supervision
- To make sure that the employees accomplish the assigned chores



- To report to the Production Manager any failure to fulfill the job duties by the staff under supervision
- To maintain the production daily reports for the receiving, pulping, washing, delivery to the channels at the bottom of the fermentation tanks, soaking, pre-drying, drying, bagging, and storage
- To cause to maintain good relationships among the employees
- To carry out any other activities essential to the position
- Any other responsibilities vital to the position

MACHINERY SUPERVISOR

- To follow the Administrative Manager's orders
- To be in charge of the good operation of the entire company's machinery
- To meet the standards, policies and procedures established by the General Manager
- To provide technical support, to the entire company's staff for the maintenance and operation of all the machinery used in the premises
- To make sure that the staff is properly trained in the use of the machinery
- To train the employees in the use of the machinery
- To prepare daily, weekly, monthly and annual reports of any repairs on the machines and the spare-parts used in those jobs
- To check the spare-parts stock
- To keep a stock of spare parts and tools for an effective maintenance
- To inform the Administrative Manager of any news or irregularities that may interrupt the operation of the machinery
- To carry out any other activities essential to the position
- Any other responsibilities vital to the position

CHAPTER XI

PROHIBITIONS TO THE EMPLOYEES

Section 44. In addition to the prohibitions included in the Labor Code and other current legal provisions on labor matters, employees shall not:

- a) Leave the workplace during working hours without a reason and without the previous authorization from the employer or representative
- b) Engage in electoral political publicity, propaganda against the democratic institutions, international affairs propaganda that may thwart on the internal order or to perform whatever action implying coercion of the freedom established thereby
- d) Arrive and remain in the workplace either drunk or under the influence of illegal drugs or under any similar unusual conditions, or bring to the premises alcohol or illegal drugs
- e) Remain in places different from those that have been assigned for the performance of responsibilities
- f) Use utensils, tools, equipment and implements given by the employer for any purpose other than the usual purpose
- g) Fight, discuss, or cause difficulties among the fellow workers or between employees and supervisors, or to perform any act that may imply disobeying their supervisors
- h) Eat during working hours
- i) Smoke in the appropriate designations in the Company's premises
- j) Provide services to third parties that may cause a conflict of interest for the Company.



- k) Speak with people foreign to the Company during working hours, on matters not related with the Company, and to bring such persons to any premises not authorized for customer service, without prior approval from the supervisors
- l) Remove or withdraw working materials and other company's equipment for any cause
- m) Take the Company's equipment outside the workplace
- n) Disobey the instructions given and show bad conduct at work
- ñ) Engage in commercial business or receive personal visits during working hours
- o) Gamble in the workplace or in the premises
- p) Use the telephone facilities for personal business
- q) Alter any document of the Company
- r) Treat customers or visitors impolitely and disrespectfully
- s) Raise the voice to supervisors or colleagues or any performance that may upset discipline and order at work.

CHAPTER XII

PROHIBITIONS TO THE EMPLOYER

Section 45. In addition to the prohibitions included in the Labor Code, Regulations and other current legal provisions, the employer shall not:

- a) Perform any act that may restrict the rights of the employees under the Labor Code
- b) Be or cause the employees to be under the influence of alcohol or illegal drugs
- c) Authorize or impose collections or subscriptions among the employees, except for taxes or deductions authorized by law or by the employee
- d) Conduct political propaganda or any propaganda against democratic institutions in the workplace and in working hours
- e) Discriminate employees for reason of race, sex, political opinions and marital status
- f) Induce or demand employees to buy their essential goods from certain stores or persons
- g) Retain at will any tools or objects of the employee, either as guarantee or as compensation or any other conveyance of their property
- h) Discharge pregnant or breastfeeding female employees, who are immovable, except for any reasonable cause resulting from serious misconduct of their responsibilities according to the Employment Contract, pursuant to the disciplinary actions determined herein, and in Section 77 of the Labor Code. In this case, the employer shall file for dismissal with the Labor Court producing evidence of the misconduct, and such dismissal shall be executed upon receipt of an express written authorization from the respective Court. If the employer does not comply with the previous condition, the female employee may appeal to the appropriate courts to exercise her right of being reinstated to the job, and will be entitled to reimbursement of any and all salaries not received during the time she was not working. In order to enjoy this protection, female employees should give notice of their pregnancy to the employer, and from that time they will be protected on a temporary basis, and a medical certificate of their pregnancy must be submitted within the next two months, for final protection.
- i) Require a pregnant woman to perform any work that may require considerable physical effort during the last three months of pregnancy
- j) To perform any other act restraining or restricting the rights of the employees according to the law.



CHAPTER XIII

SAFETY AND HEALTH STANDARDS IN THE WORKPLACE

Section 46. All employees shall fulfill and meet any and all instructions given by the Employer regarding work safety and health during working hours, and any other rules issued by the labor and health authorities, and from the Guatemalan Social Security Administration. Likewise, employees shall comply with the legal provisions established on this subject matter, and the following:

- a) Comply with the provisions provided for in the Safety and Health Regulations at the Workplace issued December 28, 1957
- b) Observe the precautionary safety measures issued or recommended by the Guatemalan Social Security Administration, the labor authorities, and public health inspectors
- c) Any deficiency in the electric installations, machinery and others that could endanger the life, health and safety of employees, should be immediately brought to the attention of the employer or its representative, for their prompt correction
- d) Avoid smoking in places with flammable materials that will endanger the life of individuals and the safety of the company's assets
- e) Make correct use of the washstands, toilets, and any other services provided for their exclusive use, reporting any deficiency to the employer or its representative
- f) In case of accident, use the first-aid kit to avoid further complications
- g) Generally, inform the employer or representative of any imminent risk that may put in danger the life of individuals or the Company's assets
- h) Employees must maintain a neat appearance appropriate to the job and applicable to the Company by legal provisions: hair properly trimmed; wearing full uniform, if any, shaved, and with acceptable appearance.

CHAPTER XIV

DISCIPLINARY ACTIONS

Section 47. Any infringements or breach by the employees to their responsibilities, to the Labor and Social Security laws and to these Regulations, will be penalized as follows:

- a) **Oral Warning** when an employee shall have incurred in a minor misconduct, which should be carried out in private discussion with the employee.
- b) **Written Warning** when an employee relapses on the minor misconduct or, in the Company's point of view, the seriousness of the problem may warrant such penalization.
- c) **Suspension of Employment** will be applied for a period not to exceed eight days. This action will be applied on those cases of relapsing on the faults that gave rise to the written warning or when required by the seriousness of the misconduct. In any event, the proportion of the days of suspension will be based on:
 1. The time of service of the employee
 2. Employee's regular behavior
 3. Recklessness of the misconduct
 4. Seriousness of the misconduct



5. Significance of the damage
6. Immorality
7. Premeditation; and
8. Relapses

In addition, before applying this corrective action, the affected employee will be given the opportunity to respond, and to hear any of his/her colleagues as evidence for the defense. If such misconduct does not warrant termination of employment, employees may be suspended, even if no oral or written warning has been conducted.

- d) **Termination of Employment** shall be effective if serious performance problems arise, as indicated in Sections 64 and 77 of the Labor Code or these Regulations. Before an employee is released from employment, he or she should have received a previous written warning unless otherwise provided for in paragraph h) Section 77 of the Labor Code.

CHAPTER XV

VOLUNTARY RESIGNATION

Section 48. An employee who plans to resign whether voluntarily or without any reasonable cause shall notify his employer in writing according to the following:

- a) Before completing six months of continuous services, at least one week in advance
- b) After six months of continuous services but less than one year, at least ten days before leaving
- c) After one year of continuous services, but less than five years, at least 15 days before leaving, and
- d) After five years of continuous services, at least thirty days in advance.

The employee should give these notices in writing to the Company's General Manager. If the contract was verbal, the employees resign verbally as well. If this is the case, resignation should be submitted before two witnesses.

CHAPTER XVI

FINAL PROVISIONS

Section 49. The Company shall, within any means available, maintain employment stability and fair salaries for the positions to be filled, and encourage and make promotion increases to such employees that meets or exceeds the requirements of the job.

Section 50. Any disputes resulting in an employer and employee relationship shall be resolved without the participation of a third party.



Section 51. Any other rights and obligations of the employer and the employees shall be governed by the Political Constitution of the Republic of Guatemala, the Labor Code and any other labor laws of Guatemala and its Regulations, and by any other provisions issued by the Company within its competent jurisdiction.

Section 52. Employees are required to know and meet the provisions of these Regulations, and claiming ignorance shall not be accepted as a reasonable excuse.

Section 53. The employer shall provide the employees training or instructions for the job, cooperation with the government agencies responsible for planning and development of human resources and employees' skills training.

Section 54. The Company will contribute with amusement programs for the employees and their families.

Section 55. Any change, amendment or repeal hereof shall require the same procedures as for its approval. Nevertheless, any newly adopted legal provision improving the employment conditions established herein shall forthwith be included.

Section 56. These Regulations, upon approval by the General Employment Inspection Agency, shall become effective fifteen days after the employees have been informed thereof, as determined by Section 59 of the Labor Code

FOR THE EXCLUSIVE USE OF THE EMPLOYMENT INSPECTION AGENCY

THE GENERAL EMPLOYMENT INSPECTION AGENCY:

WHEREAS these Regulations conform to the laws and legal provisions, the next step is its approval, and, therefore, under Section 59 of the Labor Code and Governmental Resolution 444-95, RESOLVED TO APPROVE these Regulations. BE IT KNOWN and filed accordingly