



**ENERGY IMPROVEMENT CORPORATION,
New York State Local Development Corporation**

ANTI-DISCRIMINATION AND HARASSMENT POLICY

1. A Discrimination and Harassment Free Workplace

The Energy Improvement Corporation ("EIC") is committed to providing a workplace free of discrimination or harassment, based on factors such as race, color, age, sex, sexual orientation, gender identity or expression, national origin, ancestry, religion, marital status, medical condition, disability, pregnancy, veteran status, genetic information, opposition to discrimination or participation in complaint proceedings, and/or any other factor protected by law. EIC will not tolerate harassment (whether verbal, sexual, physical or mental) by or against its employees, managers, principals, officers, directors and non-employees (e.g., consultants, vendors, or service personnel) in the workplace.

1.1. Definition of Harassment

Under this policy, harassment is unwelcome verbal, non-verbal or physical conduct that denigrates or shows hostility or aversion toward an individual or his or her relatives on the basis of race, religion, color, gender, pregnancy, national origin, age, disability, military or veteran status, marital status, sexual orientation, gender identity or expression, genetic information, opposition to discrimination or participation in complaint proceedings, or any other classification protected by applicable federal, state or local law, and that (i) is severe or pervasive enough to create an intimidating, hostile or offensive work environment for a reasonable individual or (ii) otherwise adversely affects an individual's employment opportunities in a tangible way.

Harassing conduct includes, but is not limited to: epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes, pranks or other forms of humor; and written or graphic material that denigrates or shows hostility toward an individual or group, based on one or more of the characteristics above, and is either displayed or circulated on EIC's premises in written, voice or electronic format. For example, the use of inflammatory and offensive language or the display of any materials with a sexual content can potentially disturb the entire employment relationship and create a hostile environment.

Specifically, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when: (i) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment by a supervisory employee; (ii) submission to or rejection of such conduct by an individual is used by a supervisory employee as the basis for decisions that affect an individual's employment opportunities in a tangible way; or (iii) such conduct is unwelcome and severe or pervasive enough to create an intimidating, hostile or offensive work environment for a reasonable individual. Accordingly, no one, whether a manager or not, may engage in or use offensive flirtation, advances, propositions, verbal abuse, "kidding," or degrading words of a sexual nature to describe an individual, whether in oral, written, expressive or electronic form, or display sexually suggestive objects or pictures in the workplace. Sexual harassment may involve individuals of the same or different genders. Examples of sexual harassment may include, but are not limited to: unwanted sexual advances, demands for sexual favors in exchange for favorable treatment or continued employment; repeated sexual jokes, unwelcome flirtations, advances or propositions; coerced sexual acts; verbal abuse of a sexual nature; graphic, verbal commentary about an individual's body, sexual prowess or sexual deficiencies; leering, catcalls or touching; insulting or obscene comments or gestures; electronic communications, such as e-mails, containing sexually suggestive or obscene content; and/or displays in the workplace of sexually suggestive objects or pictures.

1.2. Individuals and Conduct Covered by This Policy

EIC's policy against harassment applies not only to conduct that occurs in the office, but at any other location where an EIC activity occurs, such as an EIC party. Further, this policy covers all employees of EIC and applicants for employment as well as non-employees (e.g., consultants, vendors, or service personnel) while in the course of performing services and/or interacting with EIC's personnel. All employees, managers, principals, officers and directors of EIC must comply with this policy and take all necessary measures to ensure that such conduct does not occur.

1.3. Reporting Discrimination or Harassment

EIC requires prompt reporting of all incidents of discrimination or harassment. The EIC Equal Employment Opportunity Officer ("EEOO") shall be responsible for handling all complaints of discrimination and harassment and shall promptly notify the Chairman of the Governance Committee (the "Governance Chair") following receipt of such complaints. EIC attorney Linda Whitehead shall serve as the EEOO.

If you believe that you have been or are being discriminated against or harassed, EIC encourages you to notify (i) your manager, who will promptly forward the complaint to the EEOO, or (ii) the EEOO directly, as soon as possible. Any person covered under this policy who believes that he/she has observed discrimination or harassment is required to notify his or her manager or the EEOO immediately. Any manager who receives a complaint about discrimination or harassment is required to notify the EEOO immediately. In the event that the EEOO is the party being accused of discrimination or harassment, such complaint shall be filed with the Governance Chair.

Complaints should be sent to the EEOO by electronic mail, addressed to lwhitehead@mgslawyers.com, or by written letter, addressed to Linda Whitehead, Esq., 1311 Mamaroneck Avenue, Suite 340, White Plains, New York 10605. In the event that the EEOO is the party being accused of discrimination or harassment, such complaint should be sent to the Governance Chair by electronic mail, addressed to mgordon@jouleassets.com, or by written letter, addressed to Mike Gordon, 2 Depot Plaza, 4th Floor, Bedford Hills, New York 10507.

1.4. Investigation

The EEOO will engage in a prompt investigation appropriate to the circumstances. Managers who have received a complaint or observed discrimination or harassment should not attempt to conduct an investigation on their own. The steps to be taken during the investigation will vary depending on the nature of the allegations and the circumstances of the alleged offense. Confidentiality will be maintained throughout the investigative process if practicable and consistent with EIC's need to undertake a full investigation. In the event that the complaint accuses the EEOO of discrimination or harassment, the Governance Chair shall be responsible for conducting the investigation.

1.5. Resolving the Matter

Upon completion of the investigation, EIC will take remedial action if necessary and supported by the facts. Although the specific corrective and disciplinary action taken will be within EIC's discretion, remedial action may include, but is not limited to, oral or written counseling, referral to formal counseling, suspension, probation, and termination of employment. EIC also reserves the right to require counseling, training and/or monitoring as a condition of continued employment even where a violation is not found. In addition, conduct that is unlawful may subject employees to civil, and in some cases, criminal liability.

1.6. Non-retaliation

Any person covered by this policy who reports an incident that he or she, in good faith, believes to violate this policy, or who is involved in the investigation of discrimination or harassment, will not be subject to reprisal or retaliation. Retaliation is a serious violation of this policy and should be reported immediately. The report and investigation of allegations of retaliation will follow the procedures set forth in this policy. Any person found to have retaliated against an individual for reporting discrimination or harassment or participating in an investigation of allegations of such conduct may be subject to appropriate disciplinary action, up to and including, termination of employment. However, if EIC determines that an individual's complaint is based upon intentionally falsified information, appropriate disciplinary action may be taken against such individual.