

SEXUAL HARASSMENT POLICY STATEMENT

It is the policy of Basic Industries of South Texas, Ltd. that everyone deserves to work in an environment where respect for the individual is encouraged and safeguarded. Sexual harassment is against this policy. The Company will not tolerate sexual harassment. We are committed to providing a professional working atmosphere in which every individual is valued and treated with dignity and respect.

For the purpose of this policy, sexual harassment is defined as unwelcome or unwanted and offensive sexual advances or sexually derogatory or discriminatory remarks. It may be verbal, visual written or physical. Prohibited forms of sexual harassment include, but are not limited to:

Verbal (spoken)	Sexual innuendoes, suggestive comments, insults, sexual humor and jokes, threats or sexual demands.
Non-verbal	Leering, whistling or obscene gestures
Physical	Touching, pinching, brushing the body, coerced sexual intercourse or assault.

Procedure for Making a Complaint: An employee who believes he or she has been subjected to sexual harassment, should report the alleged act immediately or as soon as possible to their supervisor or any of the following:

Human Resource Manager	Main Office	361-884-4906
Managing Partner	Chip Hough	361-438-6655

It is not necessary for an employee to complain first to the offending person in order to report sexual harassment.

Sexual harassment undermines employee morale, interferes with productivity and causes hostility between employees and management. The Company strongly disapproves of sexual harassment and will take appropriate action to end sexual harassment and to prevent a recurrence of any such misconduct.

Investigation: Basic Industries of South Texas, Ltd. will investigate each charge of sexual harassment, by gathering information from all concerned parties. The Company will not retaliate against any employee who reports harassment or cooperates in an investigation. If sexual harassment is found to have occurred, the Company may make subsequent inquiries, from time to time, to ensure that any such harassment has not resumed and that the subject of any such harassment has not suffered any retaliation. Confidentiality will be maintained throughout the investigation to the extent practical and appropriate under the circumstances. Allegations of sexual harassment require complete factual investigation. Given the nature of this type of discrimination, the Company recognizes that false accusations of sexual harassment can have serious effects on innocent women and men. We trust that all employees will act responsibly in reporting harassment.

Discipline: Any person found to have sexually harassed an employee, will be subject to appropriate discipline, up to and including termination.

Basic Industries of South Texas, Ltd. will make every effort to ensure that all personnel are familiar with this policy and know that any complaint received will be thoroughly investigated and appropriately resolved.

W.T. Hough, Jr.
Partner

J. David Gottlich
Partner

Dennis Van Fleteren
Partner