STAR - Reward and Recognition Program

Frequently Asked Questions

General

What is “STAR”?  
STAR is a formal reward and recognition program. The goal of the program is to provide managers with a flexible and convenient way to recognize associate contributions and reinforce behaviors. The program uses “STAR” cards (STAR Cards) as awards for managers to give to an associate “on-the-spot” or another time.

Who is eligible to participate?  
Currently, manager level associates with one or more direct reports are able to order STAR Cards. All U.S. Timken associates are eligible to receive a STAR card for their contributions. Interns, IEAs and PHWPs are eligible to participate, but contingents are not. Supervisors of hourly, salaried operatives and bargaining unit associates will work with their management teams to determine best methods for receiving STAR Cards. International locations will be integrated into the program over upcoming phases taking place over the next several months.

What is the URL for the STAR website?  
www.maspremium.com/timkensteel

Do all managers have to participate in STAR?  
This program provides managers with a tool for rewarding superior behavior. There are no mandates to participate.

Will this program replace existing reward and recognition programs?  
No. It is the manager’s decision to use the program. We encourage them to consider the value of the program when recognizing their associates. It gives the manager the opportunity to reward an associate or a team conveniently with a program that provides choice. It is intended to be a tool to create a recognition culture at Timken as we work together to create our new enterprise.

Do rewards have an expiration date?  
No. There are no expiration dates. Once the associate has deposited any points to an account, they belong to him or her.
How many items are available on the site?
Over 100 items are available at a variety of point values at any time. The items will change over time, so associates may want to check back on the site if they don’t see an item they want to purchase at the time they deposit.

Administrative

What is the timing for managers to getting their password to use the site and order cards?
Managers will be receiving their User ID and password via intra-company mail the week of May 21, 2007. Mailing of the cards will occur during the week of May 28.

When is the income reported?
The actual dollars will be charged to the cost center when the recipient deposits the points in to their account.

When will the costs hit my cost center?
The costs of the STAR Card value including shipping and taxes will hit the manager cost center once the card is deposited/registered by the associate. When distributing a card, the manager should recommend that the card be deposited immediately – the gift redemption decision does not need to be made at this time.

What if I change cost centers?
You should turn in any remaining gift cards that you have not used. The cards can be recycled.

What are the hours of the customer service center?
A representative will be available between 8 AM to 5 PM U.S. Eastern Standard Time and voice mail option is available 24 hours a day. Alternatively, one can always use the e-mail address (ourthanks@timken.com).

How are points redeemed?
The STAR Card recipient will log onto the website and register their card(s) for redemption or banking.

Who has access to a personal account?
Only the person that registered can redeem points deposited to an account. MAS employees with the appropriate security clearance and the Timken manager of associate relations can view account activity for all participants.

How will associates know how many points they have?
Accounts are managed through the website.

If an associate separates from the company, do they lose their points?
No, once the cards have been registered, the account belongs to the recipient. Leaving the company will not impact points the associate has already earned.
Can STAR points be given away, transferred or combined with another associate’s points?
In certain cases, yes. For instance, a husband and wife that work at Timken could combine their points in one account. As for other transfers, we are looking at this and will make a determination depending on the number of inquiries we receive after launching the programs.

Can a STAR Card recipient give away their STAR Card to anyone else?
Prior to the registration of the STAR Card, a recipient can also give the points to someone else to deposit in an account they can set-up. In other words, an associate could give the card to a nephew and the nephew can set-up an account. However, once the points are deposited to an account, they cannot be transferred.

Will people be able to purchase points on their own to supplement any points they earn?
Based on the current program design, one will not be able to supplement their earned points by buying additional points. We will, however, provide options for purchasing “filler” items, e.g. Timken hats, t-shirts, etc. which will allow associates an opportunity to purchase items to use their miscellaneous points.

What happens if a participant separates from the company and does not have enough points to redeem for a reward?
The points belong to the associate, but if he or she doesn’t have enough to redeem for an award, the opportunity to earn additional points is eliminated. Effectively, the participant will lose the points.

What happens to his or her points if the associate dies?
We will follow-up on an individual case by case basis.

When are points (active) deposited?
At the time that the card is registered.

Can I reward someone outside of my department?
Yes, but consider inviting the associate’s manager to participate in the recognition event.

What if I want to reward associates and pay for it myself?
In some circumstances, e.g. holiday gifts, you may want to order STAR Cards for personal use. If you would like to purchase STAR Cards and not have the costs charged to your cost center at distribution, you should contact Jeaneen McDaniels to make specific arrangements with MAS to make a personal purchase.

Are STAR points taxable? Yes, the dollar value of the points is considered taxable income.

Once an order is placed, how long does it take to get the reward?
Orders are generally shipped within 72 hours.
What if a participant changes their mind on a reward selection? They should contact customer service immediately to try to change the selection.

How does the participant know the dollar amount associated with the points? Generally $1 = 1 point + shipping (freight) and taxes.

What if the card is lost or stolen? Contact customer service and they will invalidate the lost cards and replace them if necessary.

Can associates who work part-time be awarded points? Yes. All U.S. Timken associates are eligible.

Will this program include peer to peer recognition? We encourage peers to be able to participate in public recognition events, however the program at this time does not allow for specific peer to peer recognition.

How often can I reward my associates? Associates should be rewarded for going above and beyond. When the behavior exhibited merits recognition, the associate should be rewarded.

What are the criteria for awards? Criteria should be established by the local management.

What are the point denominations? Points come in 25, 50, 75, 100 and 250 point denominations.

Does this replace APA? This program does not replace APA.

Is there a separate corporate budget for the STAR program? No, there is no corporate budget associated with the STAR program. Based on the surveys that were conducted, we have found that cost center owners have allocated percentages of their budgets for “employee relations” type activities. It is our hope that they will use these monies to pay for the program.

How does the service award program fit in? The service award program will remain as is and is not impacted by STAR.

RECOGNITION AS A STRATEGIC TOOL

How can the recognition presentation be used as a strategic tool to reinforce company values? The key to a successful presentation is focusing on the associate’s above and beyond behavior as it relates to our company values. If you are recognizing someone for going above and beyond to satisfy a customer
make sure you mention in the presentation how this performance supports our company’s core values.

**When should I make the award presentation?**
Presentations are most meaningful when they are done in a timely manner. Try and make the presentation as close to the actual accomplishment as possible. Timely presentations help reinforce behaviors that you would like to see duplicated throughout the company.

**As a manager, why shouldn’t I just give a cash award?**
Best practices reveal that cash awards are not valued long term by a recipient. It does not provide a “trophy” memory and it will soon be forgotten.

**Where can the participants change their password on the Web site?**
Associates create their password when they establish an account. They can change their passwords at any time in the Account Management Web page.

**Is there a log off button?**
Yes. Associates and managers should log off from the site if they do not close their Web browser.

**What is the requirement for managers to maintain cards once they have ordered and/or issued them?**
A manager needs to complete and return the tear-off card when it is issued to an associate through intra-office mail to the Associate Relations Department (the card is already addressed. The rest of the process is maintained by MAS, Payroll and Associate Relations. If the manager wants to include an explanation of why the card was issued, we would be greatly appreciated as it will give us opportunities to leverage stories about the program and associate contributions for future TimkeNET articles.

**Are the cards to be treated like cash?**
The STAR Cards have a cash value, but if the return card hasn’t been received by payroll and the card is deposited and redeemed, security monitoring is in place to determine if a card may be stolen. All cards have a unique ID and can be tracked.

**If you have an event that has happened in the past, can you recognize an associate since the program doesn’t launch until June 1?**
Yes, especially if a significant amount of time has not elapsed.

**How is this program going to be rolled out to associates?**
A TimkeNET article will be published the week of June 11. Since managers are not immediately required to distribute cards, we are using a soft launch approach and then will use future articles to share stories of associates who are recognized through the program.

**When ordering cards, how many cost centers can be used?**
Each order should be accompanied by a cost center. There are no “splits”. Cards can be ordered in any quantity for each individual order.