

TECHNICAL
CONNECTIONS,
INC.

EMPLOYEE HANDBOOK

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From Helen And Peter Mackinnon

Dear Fellow Employees,

This employee Handbook covers the personnel policies and procedures that serve as guidelines for all employees of Technical Connections, Inc. (a California corporation).

As a group of employees representing the premier computer recruiting and consulting firm in Southern California, we are working together for the common purpose of serving the technical staffing needs of our customers and helping to give back to the community in which we serve.

It is the goal of Technical Connections, Inc. management to provide a work place that is safe, equitable and enjoyable for all. It is our desire that the employees of our Company are comfortable both physically and emotionally in their work environment. Together, we have been successful in creating a dynamic growing Company that combines a proud history with modern management and the use of technology and teamwork. Your dedication and loyalty to Technical Connections, Inc. and to your fellow employees is greatly respected and appreciated.

If you have any questions regarding this Handbook or any other employment matters, we encourage you to address them to us immediately.

Sincerely,

Helen and Peter MacKinnon

Our Principles

We work collaboratively and contribute in a positive way that will help the organization, our clients and our candidates succeed.

We take responsibility for our own professional results.

We are agile in our ability to implement creative solutions for our clients and candidates.

Our success comes from helping others to succeed.

Our Mission Statement

Technical Connections excels in providing IT staffing services by demonstrating the highest level of integrity, professionalism and performance.

TCI partners with clients and candidates to foster mutually beneficial career-building relationships and to deliver results.

Introduction

In any organization, it is necessary to have written policies, procedures and general rules of behavior to serve as guidelines for all. It is also important to know what Technical Connections, Inc. (the "Company") does for you. This Handbook explains what you may expect from the Company, as well as what will be expected of you. This Handbook replaces any and all earlier personnel Handbooks, policies, procedures, benefit statements, rules, regulations, commitments, and Company practices, whether written, oral or established by practice. Individual written employment contracts may supersede some of the provisions of this Handbook.

This Handbook is designed to familiarize you with the Company's major policies and to answer common questions posed by employees. It cannot, however, anticipate every situation or answer every question about your employment. It is a summary of the Company's personnel policies, benefits and work rules. If you have any questions about the Company's policies and practices that are not answered by this Handbook, you should ask your supervisor or the President or CEO.

Circumstances will obviously require that the policies, practices and benefits described in the Handbook change from time to time. The Company has the right to amend, modify, rescind, delete, supplement or add to the provisions of this Handbook as it deems appropriate from time to time in its sole and absolute discretion. The Company, however, may only make changes to this Handbook's Arbitration policy as are necessary to make the Arbitration policy enforceable under any federal, state, or local law or other applicable case law effective after this Handbook's initial dissemination to its workforce. Any such changes can be made only by way of official updates to this Handbook and/or by a writing signed by the President or CEO.

Terms Of Employment

Due to the nature of the Company's business, its customers and other needs, the employment relationship is, and is intended to be, at will. This Handbook contains the entire agreement between you and the Company as to the duration of your employment and the circumstances under which your employment may be terminated. Nothing contained in this or any other materials generated by the Company or its employees, or any statement made by any employee of the Company, shall require the Company to have "just" or "good cause" to terminate the employment relationship or to change the terms and conditions of your employment. Notwithstanding any disciplinary procedures or Company rules or regulations, either you or the Company may terminate the employment relationship at any time, for any reason, with or without cause or prior notice. Further, the Company can demote, transfer, suspend or otherwise discipline an employee in its sole and absolute discretion. Nothing in this Handbook, or any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued or indefinite employment or employment for a specific term, in a specific position, or at a specific rate of pay.

There will be no agreement, express or implied, between you and the Company for any specific period of employment, or for continuing or long-term employment, unless it is in writing, signed by the President or CEO.

Employment Applications

The Company relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented and gathered during the employment process. Any misrepresentation, falsification or material omission may result in the Company's exclusion of the applicant from further consideration for employment or, if the person has been hired, termination of employment.

Reference Checks

To ensure that individuals joining the Company are well qualified and have the potential to be productive and successful, the Company will check the employment references of all applicants. Every offer of employment is contingent upon the appropriate completion of a reference check.

No references will be given concerning any present or past employee of the Company unless the Company has received a written request for such a reference. Only the Payroll Department may respond to a request for a reference. Such response will only confirm the dates of employment and position held, and will be in writing. If an employee has given written authorization, the Company will also provide information on the amount of salary or wages earned by the employee.

Background Checks And Consumer Reports

The Company may require your consent to obtain a consumer report on you in connection with your initial application for employment, your application for a new position in the Company, or an investigation into possible wrongful conduct by you. A consumer report may contain information regarding your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living. The Company will use this information for employment purposes only.

Refusal to authorize the obtaining of a consumer report by the Company may be the basis for denial of employment or other adverse employment action. The contents of the consumer report may also be the basis for denial of employment, denial of a particular job position, or other adverse employment action. You will be advised if the Company elects to take adverse employment action against you based in whole or in part on a consumer report.

Immigration Law Compliance

The Company is committed to full compliance with the federal immigration laws. Therefore, the Company is required to verify the identity and legal ability to work of all individuals before they can begin work. In keeping with this obligation, each applicant must produce documentation that shows his or her identity and legal authority to work. Each applicant must also attest to his or her legal authority to work and identity on an

I-9 Form provided by the federal government. This verification form will be distributed by the Company and must be completed as soon as possible after an offer of employment is made. In no event can the form be completed and returned to the Company more than three (3) business days after an individual is hired.

If an employee has provided right-to-work documentation that has an expiration date, updated documentation must be given to the Company before this expiration date.

All offers of hire and continued employment are conditioned on furnishing satisfactory evidence of identity and legal authority to work in the United States.

Equal Employment Policy

The Company is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available people in every job. Therefore, the Company does not discriminate, and does not permit its employees to discriminate against other employees or applicants because of race, color, religion, sex, sexual orientation, gender identity or expression, pregnancy, marital status, national origin, citizenship, veteran status, ancestry, age (40 or over), physical or mental disability (an impairment that limits a major life activity), medical condition (cancer-related or genetic characteristic), or any other consideration made unlawful by applicable laws. Equal employment opportunity will be extended to all persons in all aspects of the employer-employee relationship, including recruitment, hiring, upgrading, training, promotion, transfer, compensation, benefits, discipline, layoff, recall and termination.

Non-Harassment Policy

Harassment in employment, including sexual, racial and ethnic harassment, as well as any other harassment forbidden by law, is strictly prohibited by the Company. Employees who violate this policy are subject to discipline, including possible termination.

Racial, ethnic and other forms of prohibited harassment include, but are not limited to:

- 1) Visual conduct, including displaying of derogatory objects or pictures, cartoons, or posters; or
- 2) Verbal conduct, including making or using derogatory comments, epithets, slurs, and jokes.

In addition, sexual harassment is defined by the regulations of the Fair Employment and Housing Commission as unwanted sexual advances, or visual, verbal or physical conduct of a sexual nature. Sexual harassment includes gender harassment and harassment on the basis of pregnancy, childbirth or related medical conditions, and also includes sexual harassment of an employee of the same gender as the harasser. This includes, but is not limited to, the following types of offensive behavior:

- 1) Unwanted sexual advances;
- 2) Offering employment benefits in exchange for sexual favors;
- 3) Making or threatening reprisals after a negative response to sexual advances;
- 4) Visual conduct, including leering, making sexual gestures, displaying of sexually suggestive objects or pictures, cartoons or posters;
- 5) Verbal conduct, including making or using derogatory comments, epithets, slurs, and jokes;

- 6) Verbal sexual advances or propositions;
- 7) Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes or invitations;
- 8) Physical conduct, including touching, assault, impeding or blocking movements; and
- 9) Using nicknames or terms of endearment with a racial or sexual connotation.

Examples of sexual harassment include (a) an employee being fired or denied a job or an employment benefit because the employee refused to grant sexual favors or because he or she complained about the harassment; (b) an employee reasonably quitting his or her job to escape harassment; or (c) an employee being exposed to a hostile work environment.

Managers and supervisors are prohibited from providing favorable treatment to employees with whom they are involved in a consensual sexual relationship.

Manager Training

As part of the Company's commitment to provide a harassment free workplace, the Company provides and requires training for all managers and supervisors on sexual and all other forms of prohibited harassment, at least once every two (2) years. While it is nearly impossible to prevent all employee conflict in any business, we believe that training our management staff how to recognize and prevent harassment goes a long way to eliminating it in our workplace altogether.

Violations Of Law

The Company is strongly committed to the concept of good business citizenship. We want to obey the law, and we expect our employees to do the same.

Investigation Procedure

Regardless of whether the action occurred on or off Company premises, if you believe that you have been discriminated against or you have been harassed by a co-worker, supervisor, agent, vendor or customer; have witnessed possible discrimination and/or harassment; or if you believe that the Company or another employee has violated any applicable law in the conduct of the Company's business, you have a duty to immediately bring the incident(s) to the attention of the President or CEO. Any supervisory or managerial employee who receives such a complaint must promptly report it to the President or CEO.

The description of the incident(s) can be given verbally or in writing.

The matter will be thoroughly investigated, with confidentiality maintained to the extent possible. After reviewing the evidence, a determination will be made concerning whether reasonable grounds exist to believe that discrimination, harassment and/or a violation of law has occurred. It is the obligation of all employees to

cooperate fully in the investigation process. The persons involved will be advised of the determination if appropriate.

The Company will take action to deter any future discrimination, harassment and/or violation of law. The Company considers any discrimination, harassment, and/or violation of law to be a serious offense which can result in disciplinary action for the offender, up to and including discharge. In addition, disciplinary action will be taken against any employee who attempts to discourage or prevent another employee from bringing discrimination, harassment and/or a violation of law to the attention of management.

The Company wants to assure all of its employees that measures will be undertaken to protect those who complain about discrimination, harassment and/or a violation of law from any coercion, intimidation, or retaliation due to their reporting an incident or participating in an investigation or proceeding concerning such an incident.

If any employee believes that the above procedure has not resolved a complaint of discrimination or harassment, that employee may contact the California Department of Fair Employment and Housing (DFEH) at (916) 445-9918 to determine the location of the branch of the DFEH that is nearest to the employee to file a claim within one (1) year of the date that the discrimination and/or harassment occurred. The DFEH serves as a neutral fact-finder and will attempt to assist the parties to voluntarily resolve their dispute. In the event that the DFEH is unable to obtain voluntary resolution and finds that discrimination and/or harassment has occurred, the Fair Employment and Housing Commission (FEHC) may hold a hearing and award reinstatement, back pay and monetary damages.

No action will be taken against any employee in any manner for filing a complaint with, or otherwise participating in an investigation, proceeding or hearing conducted by the DFEH or the FEHC with respect to discrimination or harassment.

Reasonable Accommodation For Disabilities, Pregnancy And Lactation

Disability Accommodation

The Company will make reasonable accommodations for the known physical or mental disabilities of an otherwise qualified applicant for employment or employee, unless undue hardship would result. Any applicant or employee who requires accommodation in order to perform the essential functions of a job should contact the President or CEO. The applicant or employee should advise the Company what accommodations he or she believes are needed in order to perform the job. Together with the applicant or employee, the Company will engage in an interactive process to determine effective, reasonable accommodations, if any. If such an accommodation is possible and will not impose undue hardship upon the Company, the Company will make the accommodation. The Company will not accommodate an employee if the accommodation would constitute a direct threat to the employee's safety or the safety of other employees.

The Company also reserves its right to require an employee to undergo a fitness-for-duty medical examination, at the Company's expense, if the Company believes or suspects that the employee may not be able to perform the essential duties of the job or may not be able to perform the essential duties of the job without risk of harm to him/herself or others. In such an instance, the Company will so advise the employee, in writing, of the need for the examination. Depending on the situation, the Company reserves the right to suspend employment pending the results of the examination.

Pregnancy Accommodation

A pregnant employee may request a reasonable accommodation of her condition upon presentation of a doctor's written certification attesting that the accommodation request is upon the doctor's advice. Such an accommodation may include, but is not limited to, a transfer to a less strenuous or hazardous position. If such a transfer can be reasonably accommodated, a pregnant employee will be transferred for the duration of her pregnancy. However, the Company will not undertake to create additional employment that the Company would not otherwise have created to meet its own business needs, nor will the Company be required to discharge any employee, transfer any employee with more seniority than the pregnant employee, or to promote any employee who is not qualified to perform the job. Upon transfer, an employee will receive the salary and benefits which are regularly provided to employees in the position to which the employee has transferred.

Lactation Accommodation

Employees who wish to express breast milk at work may request a reasonable accommodation to do so, which may include increased break time and privacy.

No Solicitation Policy

To avoid interruption of your work and protect you from unnecessary annoyance, employees are not permitted to solicit other employees on working time for any purpose. Distribution of literature during working time is not permitted. Distribution of literature in working areas is prohibited at all times.

Working time does not include break periods and meal times or other periods during the work day when employees are properly not engaged in performing their work tasks. Working time includes the working time of both the employee doing the soliciting or distributing and the employee to whom the solicitation or distribution is being directed.

Persons who are not employed by the Company may not solicit or distribute literature on Company property at any time for any purpose.

Bulletin Board

The Company maintains a bulletin board for the posting of legally required posters and notices, as well as information of general interest to employees. Employees are responsible for regularly reviewing the material on the bulletin board. Employees may not post personal notices on the bulletin board, nor should they remove any notice posted by the Company.

Open-Door Policy

The Company is constantly striving to improve its policies, the services and products that it provides to its customers, and its relations with employees. You are encouraged to bring suggestions for improvements in any of these areas to the attention of your supervisor.

The Company is committed to maintaining a positive and pleasant environment in which to work, and believes in an open-door policy. You should see your supervisor with questions or problems relating to your job. You can also meet with any management representative without regard to his or her position in the Company.

While these procedures cannot result in every problem being resolved to your satisfaction, the Company values your input and you should feel free to raise issues of concern. The Company will listen to your concerns with respect and do its best to solve your problems.

Any controversy, dispute or claim between any employee and the Company, or its officers, agents or other employees, shall be settled by binding arbitration, at the request of either party. The arbitrability of any controversy, dispute or claim under this policy shall be determined by application of the substantive provisions of the Federal Arbitration Act (9 U.S.C. Sections 1 and 2) and by application of the procedural provisions of the California Arbitration Act. Arbitration shall be the exclusive method for resolving any dispute, provided, however, that either party may request provisional relief from a court of competent jurisdiction, as provided in California Code of Civil Procedure Section 1281.8.

The claims which are to be arbitrated under this policy include, but are not limited to, claims for wages and other compensation, claims for breach of contract (express or implied), claims for violation of public policy, wrongful termination, tort claims, claims for unlawful discrimination and/or harassment (including, but not limited to, race, religious creed, color, national origin, ancestry, physical disability, mental disability, gender identity or expression, medical condition, marital status, age, pregnancy, sex or sexual orientation) to the extent allowed by law, and claims for violation of any of the federal, state, or other government law, statute, regulation, or ordinance, except for claims for workers' compensation, unemployment insurance benefits and petitions or charges that could be brought before the National Labor Relations Board.

The employee and the Company will select an arbitrator by mutual agreement. If the employee and the Company are unable to agree on a neutral arbitrator, either party may elect to obtain a list of arbitrators from the Judicial Arbitration and Mediation Service, the American Arbitration Association, or any other reputable dispute resolution organization.

The demand for arbitration must be in writing and must be made by the aggrieved party within the statute of limitations period provided under applicable California and/or federal law for the particular claim. Failure to make a written demand within the applicable statutory period constitutes a waiver to raise that claim in any forum. Arbitration proceedings will be held in Los Angeles County, California.

The arbitrator shall apply applicable California and/or federal substantive law to determine issues of liability and damages regarding all claims to be arbitrated, and shall apply the California Evidence Code to the proceeding. The parties shall be entitled to conduct reasonable discovery and the arbitrator shall have the authority to determine what constitutes reasonable discovery. The arbitrator shall hear motions for summary disposition as provided in the California Code of Civil Procedure.

Within thirty (30) days following the hearing and the submission of the matter to the arbitrator, the arbitrator shall issue a written opinion and award which shall be signed and dated. The arbitrator's award shall decide all issues submitted by the parties, and the arbitrator may not decide any issue not submitted. The arbitrator shall prepare in writing and provide to the parties a decision and award which includes factual findings and the reasons upon which the decision is based. The arbitrator shall be permitted to award only those remedies in law or equity which are requested by the parties and allowed by law.

The decision of the arbitrator shall be binding and conclusive on the parties and cannot be reviewed for error of law or legal reasoning of any kind. Judgment upon the award rendered by the arbitrator may be entered in any court having proper jurisdiction.

The cost of the arbitrator and other incidental costs of arbitration that would not be incurred in a court proceeding shall be borne by the Company. The parties shall each bear their own costs and attorneys' fees in any arbitration proceeding, provided, however, that the arbitrator shall have the authority to require either party to pay the costs and attorneys' fees of the other party, as is permitted under federal or state law, as a part of any remedy that may be ordered.

Both the Company and employees understand that by using arbitration to resolve disputes they are giving up any right that they may have to a judge or jury trial with regard to all issues concerning employment.

Only the President or CEO may modify this policy in a signed writing and only as is necessary to make this policy enforceable under any federal, state, or local law or other applicable case law effective after this policy's initial dissemination to its workforce. Otherwise, no employee can modify this policy in any manner or enter into any agreement that is contrary to this policy. If any term, provision, covenant or condition of this policy is held by a court of competent jurisdiction or an arbitrator to be invalid, void, or unenforceable, the remaining terms and provisions of this policy will remain in full force and effect and shall in no way be affected, impaired or invalidated.

Confidentiality And Non-Disclosure

The Company may provide and make available to you certain information regarding our business, including without limitation:

- various sales and marketing information;
- actual and potential customer and lead names, addresses, telephone numbers, and specific characteristics;
- mailing labels;
- sales report forms;
- pending projects or proposals;
- business plans and projections, including new product, facility or expansion plans;
- pricing information (such as price lists, quotation guides, previous or outstanding quotations, equipment prices, or billing information);
- estimating programs and methodology;
- the techniques used in, approaches to, or results of any market research;
- advertising sources;
- salary information or employment contract language or terms relating to other employees (except for the employee's own salary information or employment contract language or terms);
- financial information about the Company;
- customer information reports;
- mailing plans and programs; and
- actual and potential candidate names, addresses, telephone numbers, specific characteristics and resumes;

whether written or verbal, or contained on computer hardware or software, disk, tape, microfiche or other media ("Information"). This Information is of substantial value and highly confidential, is not known to the general public, is the subject of reasonable efforts to maintain its secrecy, constitutes the professional and trade secrets of the Company, and is being provided and disclosed to you solely for use in connection with your employment by the Company.

In consideration of your employment and receipt of the Information, you agree that you:

- 1) will regard and preserve the Information as highly confidential and the trade secrets of the Company;

- 2) will not disclose, or permit to be disclosed, any of the Information to any person or entity, absent written consent and approval from the Company;
- 3) will not photocopy or duplicate, and will not permit any person to photocopy or duplicate, any of the Information without the Company's written consent and approval;
- 4) will not make any use of Information for your own benefit or the benefit of any person or entity other than the Company;
- 5) will return all Information to the Company immediately upon request for same; and
- 6) will immediately contact the Company if any client or customer of the Company contacts you after the termination or resignation of your employment with the Company.

Nothing in this policy alters the at-will nature of the employment relationship.

Conflict Of Interest

An employee is required to avoid any conflict of interest during his or her employment by the Company. Any involvement that conflicts with an employee's duties or responsibilities or affects the employee's judgment in making a decision affecting the Company will be considered a conflict of interest. This includes any direct or indirect business, management or financial interest or activity, whether or not for compensation, in any business or entity that is a competitor, supplier or vendor of the Company.

Employees may engage in or have outside business or personal interests or activities that do not constitute a conflict of interest with their employment by the Company. The Company requires that these activities or interests do not adversely affect an employee's capacity to perform his or her functions or result in conflicting loyalties.

Off-Duty Conduct

While the Company does not seek to interfere with your off-duty conduct, certain types of off-duty conduct may interfere with the Company's legitimate business interests.

Employees are expected to conduct their personal affairs in a manner that does not adversely affect the Company's integrity, reputation or credibility. Off-duty conduct that adversely affects the Company's legitimate business interests or an employee's ability to perform his or her work will not be tolerated and may result in discipline up to and including termination.

Outside Jobs

The Company has no objections to you holding another job as long as you can effectively meet the performance standards for your position with the Company and disclose the second job(s) to the President or CEO. The Company asks that you think seriously about the effects that such extra work may have on the limits of your endurance, your overall personal health, and your effectiveness with the Company. The Company will

hold all employees to the same standards of performance and scheduling demands and cannot make exceptions for employees who also hold outside jobs.

If the Company determines that an employee's outside job interferes with his or her performance or ability to meet the Company's requirements, the employee may be required to elect between terminating his or her outside employment or terminating his or her employment with the Company.

An employee may not, during employment with the Company, work for a competitor of the Company without the written approval of Company management.

Gifts

The Company believes that our mutual interests are best served when the acceptance of a product or service is based solely on its merits. Personal gifts offered to our employees by companies doing business with us could, even if innocently given, be motivated by the desire for undue favoritism in future dealings. Advance approval from management is required before you may accept gifts of any kind having an aggregate value in excess of one hundred fifty dollars (\$150) per year from customers, suppliers or vendor representatives. No prior approval is required for gifts having a total value of less than this amount.

Personal Involvement

Personal or romantic involvement with a fellow employee, competitor, customer, supplier or vendor may impair an employee's ability to exercise good judgment on behalf of the Company. An employee should immediately disclose any relationship of this type to his or her supervisor. The Company will determine if an actual conflict of interest exists. If a conflict is determined to exist, the Company will take whatever corrective action it deems to be appropriate.

Employee Status

Regular Full-Time Employees

Those employees who are hired to work on a regular basis for forty (40) or more hours per week are deemed to be full-time. They are eligible for all Company-sponsored benefits.

Regular Part-Time Employees

Those employees who are hired to work on a regular basis for less than forty (40) hours per week are deemed to be part-time. Part-time employees may be assigned a work schedule in advance or may work on an as-needed basis. They are only eligible for legally required benefits.

Temporary or Seasonal Employees

Those employees who are hired to work on a temporary or seasonal basis, or for the completion of a specific task or project, are deemed to be either temporary or seasonal employees. A temporary or seasonal employee will not automatically change to another status merely by working in excess of the time expected or designated; a change in status, if any, will be recorded in writing. Regardless of hours worked, temporary employees are only eligible for statutorily mandated benefits.

Non-Exempt Employees

Those employees who are subject to the provisions of federal and state law requiring the payment of overtime are deemed to be non-exempt.

Exempt Employees

Those employees who are not subject to the provisions of federal and state law requiring the payment of overtime are deemed to be exempt. Exempt employees include salaried professional, executive and administrative employees. Certain computer programmer personnel and sales employees may also be exempt.

You will be advised of your employee status at the time of hire, promotion or transfer. A change in circumstances (e.g., greater number of hours worked) will not result in a change of status to a position with greater benefits unless the employee is specifically notified of such a status change in writing. Since all employees are hired for an unspecified duration, assignment to any of these classifications does not guarantee employment for any specific length of time. Regardless of classification, employment is at the mutual consent of you and the Company. Accordingly, either you or the Company can terminate the employment relationship at will, at any time, with or without cause or notice.

Independent Contractors

An independent contractor is any person who is classified by the Company as such, as evidenced by the Company's failure to withhold taxes from his or her compensation. Independent contractors are not employees of the Company. Even if the person is later reclassified by an action of a court or administrative agency as an employee of the Company, he or she is not eligible for any Company-sponsored benefits on a retroactive basis.

Hours Of Operation And Work Schedules

Business Hours

The Company's work week begins on Monday and ends at midnight on the following Sunday. The Company's work day begins at 12:01 A.M. and ends at midnight. The Company's standard business hours are 8:00 A.M. to 6:30 P.M. Monday through Friday. Employees generally work a forty (40) hour week, five (5) days per week, eight (8) hours per day.

Exchanging work schedules with other employees is discouraged. However, if it is necessary to exchange schedules, notify your supervisor, who may authorize an exchange if possible. Work schedule changes will not be authorized for mere convenience or if the exchange will result in disruption or interference with normal operations or will result in excessive overtime.

Various factors, such as work loads, operational efficiency and staffing needs may require variations in your starting and quitting times, and total hours worked each day or each week. The Company reserves the right to assign you to jobs other than your usual assignments when required. In addition, you may be required to work overtime or hours other than those normally scheduled whenever necessary.

Meal And Rest Periods

Non-exempt employees receive a one (1) hour unpaid meal period. Your supervisor may adjust the meal period in order to accommodate business and individual needs. However, a one-half (1/2) hour break must be taken within five (5) hours of the start of your shift. In order to provide efficient Company operations, meal periods should not be taken outside the hours of 11:30 A.M. to 2:00 P.M., unless you are working a non-standard shift.

You will also receive a ten (10) minute break for every four (4) hours of work or major portion thereof.

You may not add your breaks to your meal period so that you can take a longer meal period. The law requires that you actually take your meal period and rest breaks. Don't ask to work through your meal period or breaks so that you can either come in late or leave early. If for any reason you are not able to take your rest breaks or meal period, you must advise the Payroll Department in writing within the same or next payroll period; it will otherwise be presumed that you have taken your required breaks. An employee who refuses to take his or her breaks or meal period may be subject to discipline, up to and including termination of employment.

Employees may waive the meal period if they work more than five (5) hours and less than six (6) hours in a day.

Overtime

Due to operational demands and work loads, the Company may require an employee to work beyond his or her normal shift. The Company will attempt to distribute overtime evenly and to accommodate individual schedules; however, when overtime is required, refusal to work overtime may result in discipline up to and including termination. Although an employee will be given advance notice where feasible, this is not always possible. A non-exempt employee must have prior, written approval from his or her supervisor before any overtime can be worked. Non-approved overtime will be paid, but it may result in discipline, up to and including termination.

Exempt employees may have to work hours beyond their normal schedule, but will not be paid overtime.

The Company will pay overtime at the rate of one and one-half (1 ½) times an employee's regular rate of pay to non-exempt employees for hours worked over forty (40) hours in a work week or eight (8) in a workday. In addition, the Company will pay one and one-half (1 ½) times an employee's regular rate of pay to non-exempt employees for the first eight (8) hours worked by the employee on his or her seventh (7th) consecutive day of work in a work week.

The Company will pay overtime at the rate of two (2) times a non-exempt employee's regular rate of pay to hourly employees for hours worked over twelve (12) in a workday. The Company will pay overtime at the rate of two (2) times an employee's regular rate of pay to hourly employees for hours worked over eight (8) by the employee on his or her seventh (7th) consecutive day of work in a work week.

Holiday, vacation, and sick leave hours paid, but not worked, are not included in calculating overtime.

Make-Up Time

The Company allows the use of make-up time when an hourly employee needs to take time off to tend to a personal obligation. An employee may take time off and then make up the time later in the same work week, or may work extra hours earlier in the work week to make up for time that will be taken off later in the work week. Make-up time worked will be paid at an employee's straight-time hourly rate of pay and will not be paid at an overtime rate.

Make-up time requests must be submitted in writing to the Payroll Department, with your signature on a form provided by the Company. A separate written request is required for each occasion that an employee requests make-up time. The Company will have the discretion to grant or deny an employee's request for make-up time based upon the Company's staffing and operational needs.

If an employee requests time off that he or she will make up later in the week, the employee must submit the request for make-up time at least twenty-four (24) hours before the desired time off. If an employee is requesting to work make-up time first in order to take off time later in the week, he or she must submit the request for make-up time at least twenty-four (24) hours before working the make-up time. The request for make-up time must be approved in writing before an employee takes the requested time off or works the make-up time, whichever is earlier.

All make-up time must be worked in the same work week as the time taken off.

Employees may not work more than eleven (11) hours in a day or forty (40) hours in a work week as a result of making up time that was or would be lost due to personal obligations.

If an employee takes time off and is unable to work the scheduled make-up time for any reason, the hours missed will normally be unpaid. However, the Company may arrange with you for another day to make up the time if possible, based on staffing and operational needs. If an employee works make-up time before he or she plans to take time off, the employee must take the time off, even if the employee no longer needs the time for any reason.

An employee's use of make-up time is completely voluntary. The Company does not encourage, discourage or solicit the use of make-up time.

Time Records

Time cards or time sheets are used as a means of accurately recording hours worked and calculating pay. They record regular hours worked, meal periods, overtime, absences, and vacations. Accordingly, non-exempt employees should record the time they begin and end work each day, as well as the beginning and end of each meal period. Employees should not punch in more than five (5) minutes prior to the scheduled start of their shift or return from lunch, and should not punch out more than five (5) minutes after the scheduled end of their shift or beginning of their lunch break.

Employees must also record their time whenever they leave the premises for any reason other than Company business.

It is important that the time card not be lost, falsified or mutilated. If there is a mistake on the time card, an employee should inform his or her supervisor and then make and initial the necessary corrections. The supervisor should also initial any corrections.

It is strictly forbidden to punch another employee's time card or write on another employee's time sheet. Disciplinary action will be taken against anyone who violates this rule. If an employee's time card or time sheet is missing, the employee should report this fact immediately and obtain assistance to locate the time card or time sheet or receive another.

Accuracy Of Time

It is the Company's goal to ensure that all employees are properly paid for all of their work. Therefore, it is every employee's responsibility to examine his or her paycheck and paycheck stub to ensure that he/she is being properly paid for all work time and that the paycheck and pay stub are accurate. If an employee believes that he/she is not being properly paid for all his/her work, the employee must immediately inform Human Resources.

Additionally, no supervisor or manager can permit an employee to work "off the clock." If your supervisor or manager asks you to work "off the clock," you must immediately bring this issue to Human Resources. No

employees are permitted to work "off the clock" at any time. For the purposes of this policy, "off the clock" work is where an employee works for the Company but does not accurately record his/her time in the Company's approved time record.

Supervisors or managers are only authorized to change an employee's time record to accurately reflect the employee's actual work hours. If you believe that a supervisor or manager has modified your time record to inaccurately reflect an employee's work hours, again, you must immediately inform Human Resources of the alleged inaccuracy, in writing.

It will be presumed that the Company is accurately compensating an employee, unless the employee timely brings a complaint pursuant to this policy.

Pay Days

You are paid bi-weekly, on Wednesday, for work performed during the payroll period ending the previous Sunday. If payday falls on a non-workday, such as a holiday, paychecks are distributed on the next workday.

Your paycheck will be mailed, directly deposited or given to you, unless you have given prior, written authorization to the Payroll Department. If you are absent from work on a pay day, your check will be kept by the Payroll Department.

Payroll Advances

The Company does not make advances against future earnings or vacation.

Payroll Deductions

State and federal laws require the Company to make the proper deductions on your behalf. Amounts withheld vary according to your earnings, your marital status, and the number of your exemptions. Required deductions include: (1) Social Security (FICA); (2) Medicare; (3) federal income tax; (4) state income tax; (5) state disability insurance (SDI); and (6) paid family leave insurance (PFL). Voluntary deductions for the employee portion of health insurance premiums, 401(k), and other deductions made for your benefit must be authorized by you in writing.

Payroll Corrections

The Company takes all reasonable steps to ensure that you receive the correct amount of pay in each paycheck and that you are paid promptly on the scheduled payday. In the unlikely event that there is an error in the amount of your paycheck, you should promptly bring the discrepancy to the attention of the Payroll Department so that a correction can be made as soon as possible.

Garnishment Of Wages

Employees are responsible for their own debts. Garnishments cause considerable paperwork and expense for the Company. Although we understand that a wage garnishment can happen to anyone, the Company strongly encourages you to work out a financial problem before this situation occurs.

Because of the time and money involved in processing garnishments, there will be a \$1.50 deduction taken from an employee's wages for each payment made by the Company on behalf of the employee pursuant to a wage garnishment order.

Requests For Payroll Records

The Company will provide an employee or former employee with copies of his or her payroll records within twenty-one (21) days of his or her written request. The written request must be submitted to the President or CEO.

Health Insurance Portability And Accountability Act (HIPAA)

The Health Insurance Portability and Accountability Act (HIPAA), a federal law, is designed to protect the privacy of an individual's medical information. The Company complies with HIPAA to the extent it is applicable. The Company is not a covered entity under HIPAA; however, it does sponsor a group health plan. Therefore, the Company follows the HIPAA standards for non-covered entities which sponsor group health plans.

You will receive a HIPAA Notice of Privacy Rights. If at any time, you have any questions about HIPAA, please contact the individual designated in the Notice of Privacy Rights.

Requests For Medical Information

Employees may be asked to provide information from their physicians in the following instances:

- 1) after any absence for illness or in cases of certain recurrent absences;
- 2) when requesting certain leaves of absence for health reasons;
- 3) to verify an employee's ability to return to work from a leave granted for health reasons; and
- 4) as appropriate under the Company's insurance plans.

Examples of information that may be provided by an employee's physician include:

- 1) a note to justify absence;
- 2) a note to request a leave;
- 3) a note to verify the employee's ability to return to work;
- 4) medical records to support a claim for sick pay or disability benefits;
- 5) insurance records; and
- 6) workers' compensation records.

Any and all medical information must be sent to the President or CEO. No information is to be provided directly to an employee's immediate supervisor or department head. Only the President or CEO will have the authority to determine if the medical information provided is sufficient, depending upon the specific circumstances.

The President or CEO will not inform the supervisor of an employee's condition, unless warranted by law, and will inform the supervisor only of whether an absence is excused, whether leave should be granted, or whether an employee may return to work.

Information to support insurance claims must be submitted directly to the insurance administrator by the employee.

Medical Records – Maintaining Confidentiality

Federal law and state law require that the Company maintain all employee medical information in separate, confidential files. Therefore, in addition to personnel files, the Company will also maintain a separate medical file for each employee. These files will be maintained by the Payroll Department.

It is important that employees understand that the records are confidential but that the confidentiality may be waived if the employee provides medical information to his or her supervisor or to anyone outside the Payroll Department. In order for employees to preserve the confidentiality of medical records, any and all information from physicians should not be provided to the immediate supervisor unless the employee does not mind that the information is being shared with the supervisor. If an employee does provide information to the supervisor, however, the supervisor is expected to keep it confidential.

This policy does not excuse employees from complying with appropriate supervisor requests for information pursuant to attendance procedures.

Consistent with the Company policy concerning the inspection of personnel files, an employee may also inspect his or her medical file during normal business hours, in the presence of a member of the Payroll Department.

Personnel Records

The Company keeps a personnel file on each employee. The personnel file contains employment-related information about the employee.

The contents of your file, except for letters of reference and certain other limited kinds of information, are open for your inspection upon request and at reasonable times. You may not add or remove any documents from your personnel file without the written permission of the President or CEO. Unless you have previously been given a copy, you may make copies of anything in your file that has been signed by you. Contact the President or CEO if you wish to review your personnel file.

Personnel files are the property of the Company and access to the information they contain is restricted. Generally this information is only available to supervisors and management personnel who have a legitimate need for the information. Under no circumstances should any non-management employee be permitted to review the contents of another employee's personnel file, and managers and supervisors are only permitted to review the files of those employees which they supervise.

The Company will keep your personnel records confidential. However, there are certain times when information may be given to persons outside of the Company. These include:

- 1) Responses to subpoenas, court orders, or orders of administrative agencies;
- 2) In a lawsuit in which you and/or the Company are parties;
- 3) To administer employee benefit plans; and
- 4) To a health care provider.

Personnel Data Changes

It is your responsibility to promptly notify the Company of any changes in your personnel data. It is essential that your personal mailing address, telephone number, number and names of dependents, emergency contact, and educational information be kept accurate and current. Moreover, to ensure that the employer can notify you when necessary, you must provide the Company with an address where it can reach you (not a Post Office or P.O. Box), your personal e-mail address, and your cell phone number. If any personnel data has changed, immediately notify the Payroll Department.

Employee Conduct And Work Rules

Whenever people are required to work together for any purpose, they need certain guidelines to govern their personal conduct and relations. The Company considers work rules to be an important responsibility. They are a necessary part of managing the business so that employees can be treated fairly, and work safely and effectively. These rules apply to all employees.

Examples of impermissible conduct which may lead to disciplinary action are identified below to promote understanding of what is considered unacceptable conduct and to encourage consistent action by the Company in the event of violations. However, it is impossible to provide an exhaustive list of types of conduct that may result in disciplinary action. The following list, therefore, contains some examples of conduct that may lead to the imposition of discipline up to and including possible termination:

- 1) Excessive absenteeism or tardiness, including a pattern of absenteeism or tardiness;
- 2) Job abandonment;
- 3) Working overtime without the prior approval of your supervisor;
- 4) Sleeping or malingering on the job;
- 5) Theft, stealing, or unauthorized removal of property belonging to the Company, another employee, a customer or a visitor, regardless of the value of the item;
- 6) Unauthorized use of Company equipment, time, materials or facilities;
- 7) Waste of Company materials or supplies;
- 8) Use, possession, or sale of unlawful drugs or alcohol while on Company premises, while in a Company vehicle, or while on duty, or reporting to work under the influence of alcohol or any unlawful drugs;
- 9) Bringing or possessing firearms, weapons, or other hazardous or dangerous devices or substances onto Company property or into Company vehicles;
- 10) Failure to observe safety regulations;
- 11) Failure to report any unsafe conditions, damage to equipment or machinery, or job-related traffic accidents or violations to your supervisor;
- 12) Carelessness or negligence while performing duties;
- 13) Wearing extreme, unprofessional or inappropriate dress or hair styles while working;

- 14) Failure to perform work or job assignments satisfactorily and efficiently;
- 15) Destruction or damage to the property of the Company, another employee, a customer or a visitor;
- 16) Unlawful harassment, including sexual harassment, of other employees;
- 17) Horseplay on Company time or property;
- 18) Threatening, intimidating or coercing other employees, customers or visitors;
- 19) Fighting or provoking a fight on Company time or property;
- 20) Insubordination, including improper conduct toward a supervisor or refusal to perform tasks assigned by a supervisor;
- 21) Refusal to do job assigned or perform work in the manner described by the Company;
- 22) Disrespect or discourtesy to supervisors or customers;
- 23) Failure to immediately report a job-related injury, no matter how minor, to your supervisor;
- 24) Making or receiving excessive personal telephone calls, other than emergency calls, during working hours;
- 25) Falsifying, altering, destroying or willfully omitting information from any time card or Company record (including employment applications);
- 26) Obtaining employment by means of false or misleading information; and
- 27) Failure to follow Company procedures for maintaining confidentiality.

It must be remembered that the employment relationship is based on mutual consent of the employee and the Company. Accordingly, either you or the Company can terminate the employment relationship at will at any time, for any or no reason. Further, the Company can demote, transfer, suspend or otherwise discipline an employee in its sole and absolute discretion.

Discipline

Most employees are dedicated and hard-working. Occasionally, however, an employee's work performance or behavior falls below Company standards. In these cases, the Company will take corrective action, including counseling and discipline, as is necessary and appropriate.

The Company maintains a progressive discipline procedure to ensure a fair method of disciplining employees. The progressive discipline system is intended to give employees advance notice, whenever possible, of problems with their conduct or performance in order to provide an opportunity to correct these problems. The

focus of counseling or discipline is on correction of the situation. The Company expects that most job-related problems will be resolved through routine disciplinary action.

Normally, progressive discipline involves some combination of verbal counseling, written warnings, and/or suspension before an employee is terminated. However, exceptions or deviations from the normal procedure may occur whenever the Company deems that circumstances warrant that one or more steps in the process may be skipped. Accordingly, circumstances may warrant immediate termination.

An employee who is given a written warning will be asked to sign the warning. This signature is not an admission of guilt, but merely acknowledges receipt of the warning notice. If an employee disagrees with the warning and desires to make comments, he or she is entitled to do so on the warning notice.

It must be remembered that the employment relationship is based on the mutual consent of the employee and the Company. Accordingly, either an employee or the Company can terminate the employment relationship at will, at any time, for any or no reason. Further, the Company can demote, transfer, suspend or otherwise discipline an employee in its sole and absolute discretion. Nothing contained in these disciplinary procedures is meant to imply any contrary policy.

Customer Relations

The Company believes that a customer's patronage is earned by providing high-quality merchandise and excellent personal service. Everyone must be considered a potential customer, whether they are inside or outside of the Company's facility. Employees are expected to conduct themselves in a congenial and helpful manner at all times in order to enhance our business.

We are a service business and all of us must remember that the customer always comes first. It is the customer that pays all of our wages. Remember, while the customer is not always right, the customer is never wrong.

Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concerns as an interruption or an annoyance. Customer inquiries, whether in person or by telephone, must be addressed promptly and professionally.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received.

Through your conduct show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in paperwork demonstrates your commitment to those with whom we do business.

Never argue with a customer! If a problem develops, or if a customer remains dissatisfied, ask your supervisor to intervene.

Alcohol And Drug Policy

The Company has a vital interest in maintaining safe, healthful and efficient working conditions for its employees, customers and visitors. Being under the influence or using intoxicants while on the job poses serious safety and health risks not only to the user but to all those who work or come into contact with the user. The manufacture, possession, sale or distribution of an intoxicant in the workplace also poses unacceptable safety and health risks. Accordingly, it is the right, obligation and intent of the Company to protect its employees, customers and visitors, and to safeguard Company property, equipment and operations by establishing and maintaining the following policy with regard to use, possession or sale of alcohol or other intoxicants in the work place. Employees may be disciplined, up to and including discharge without prior notice or warning, even for a first offense, for any of the following:

- 1) For reporting to work and/or working with the presence of intoxicants in their bodies;
- 2) For bringing intoxicants into the workplace;
- 3) For possessing or ingesting intoxicants in the workplace during working hours, including meal and rest breaks;
- 4) For involvement in the manufacture, sale, purchase, transfer, distribution or dispensation of intoxicants in the workplace and/or during working hours, including lunch and rest breaks; and
- 5) For providing false or misleading information or failing to provide information about any of the foregoing with regard to themselves or others.

As used above, "workplace" includes any premises where an employee may be working on behalf of the Company. "Intoxicants" as used in this policy means any drug listed in 21 U.S.C. § 821 and other federal regulations, including, but not limited to, heroin, marijuana (unless medically prescribed), cocaine, PCP and Crack, narcotics, barbiturates, amphetamines and any other controlled substance other than those taken under the direction and prescription of a licensed physician. Intoxicants also include legal drugs not taken under the direction and prescription of a licensed physician to the extent that their ingestion may affect the safety of co-workers or members of the public, the employee's job performance, or the safe or efficient operation of the Company facility.

Company Testing

The Company may require a blood test, urinalysis or other drug/alcohol screening of those persons reasonably suspected of using or being under the influence of a drug or alcohol. "Reasonable suspicion" may be established by accident, physical and/or verbal altercation, a layperson's opinion based upon specific personal observations concerning an employee's appearance, behavior (including job performance) and body odors, unusual employee behavior, possession of drugs and alcohol, or other factors. An employee's consent to submit to such a test is required as a condition of employment and the employee's refusal to consent may result in termination, even for a first refusal.

Reporting Convictions

An employee is required to inform the Company within five (5) days after he/she is convicted for violation of any federal or state criminal drug statute, where such violation occurred on the Company's premises.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or the imposition of a sentence by a judge or jury in any federal or state court.

Prescription Drugs

The legal use of controlled substances, such as prescription drugs prescribed by a licensed physician, or over-the-counter medications, is allowed. However, if an employee cannot do his or her job satisfactorily because of such substances, the Company may require him or her to see a doctor, at Company expense. An employee may be terminated or obligated to take an unpaid leave of absence if the doctor concludes that he or she cannot do their job safely and efficiently because of the use of prescription or over-the-counter drugs.

Searches

The Company may conduct unannounced searches for illegal drugs or alcohol in Company facilities. Employees are expected to cooperate in the conducting of such searches. Searches of employees and their personal property, including but not limited to desks, lockers, packages, purses and backpacks, may be conducted when there is reasonable suspicion to believe that the employee or employees are in violation of this Policy. Employees should therefore have no expectation of privacy in the work place, with the exception of rest rooms.

An employee's consent to a search is required as a condition of employment and the employee's refusal to consent may result in termination, even for a first refusal.

Company Events

Some of you may attend Company or business-related events where alcohol is served. You are expected to use good judgment in consuming alcohol at any such Company or business-related event. Under no circumstances should you ever operate a vehicle if you are under the influence. Becoming intoxicated at any of these events will be considered grounds for discipline, including immediate termination.

Attendance

The Company counts on your attendance and expects regular attendance during working hours. Regular and timely attendance is an essential function of every employee's job. You are expected to be present and ready to start work promptly at the beginning of your shift and after your meal period and breaks. You are expected to work until the scheduled quitting time. Unsatisfactory attendance, reporting late or quitting early, or patterns of absenteeism or tardiness, may result in disciplinary action, up to and including discharge.

If you are going to be late or absent from work for any reason, you must notify your supervisor as soon as possible but, in no event, later than one (1) hour after your shift starts. If your supervisor is not available, contact the payroll department and keep calling back until you speak directly with your supervisor.

If your absence is due to illness, you must report your progress to your supervisor every day until you recover. You may be required to bring a statement from your doctor verifying your illness.

Any employee who fails to report for work without giving prior notice to the Company may be considered to have voluntarily quit at the end of the employee's shift on the first day unless a reasonable excuse is offered at the earliest possible time and accepted by the Company.

You may be required to submit a doctor's release in order to return to work.

Permission To Leave During Working Hours

If it becomes necessary for you to leave the premises during regular working hours, you must advise your supervisor. If your absence is for personal business or business that is not part of your job, you must punch out and your supervisor must approve your time card.

Telephone Policy

The Company receives a large number of telephone calls from its customers and others throughout the day. Because we have only a limited number of telephone lines to handle these calls, and because mistakes are often made when an employee tries to talk on the phone and work at the same time, you are required to keep all personal phone calls to a minimum. Friends and relatives should be discouraged from calling during working hours unless there is an emergency. Messages will be delivered to employees who receive urgent personal telephone calls.

You should use the available pay telephones or your cell phone to make necessary personal calls during your break and meal periods.

Under no circumstances should you make or charge a long distance call to the Company unless it is work-related and approved by the Company.

Cell Phone Safety While Driving

The Company expects employees whose job responsibilities include regular or occasional driving and who use a cell phone for business use to refrain from using their phone while driving. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, the Company strongly encourages employees to pull off to the side of the road and safely stop the vehicle before placing or accepting a call. If employees must take or make a phone call, they must use a hands-free option such as a headset or speaker phone. Under no circumstances are employees allowed to place themselves or others at risk to fulfill business needs. Employees who are charged with traffic violations resulting from the use of their phone while driving will be solely responsible for all liabilities that result from such actions. Violations of this policy will be subject to disciplinary action, up to and including termination of employment.

Employee Appearance

Each employee represents our Company, and it is essential to our business that we portray a professional image to our customers and visitors. You should therefore use good judgment in determining your dress and appearance and, in all circumstances, dress in an appropriately professional and business-like manner.

Rather than dictate a list of what is considered appropriate attire, we feel that our employees have the maturity and common sense to come to work dressed in clothing which is clean, neat, in good taste, and appropriate for their duties.

You should ask your supervisor for the particular dress standard applicable to your department.

If you are not dressed in proper attire, you may be sent home to change, and you will not be compensated for the time away from work.

Smoking

As part of the Company's efforts to provide a safe and healthy workplace, smoking is prohibited on Company premises, including but not limited to work areas, break areas, bathrooms, conference rooms and hallways. Employees who smoke may do so only on their meal and rest breaks and only outside of the Company's facility.

The Company has a vital interest in maintaining safe, healthful and efficient working conditions for its employees, customers and visitors. Accordingly, it is the right, obligation and intent of the Company to protect its employees, customers and visitors, and to safeguard Company property, equipment and operations by establishing and maintaining the following policies.

Physical Security

The Company is committed to providing a workplace that is free from acts of violence or threats of violence. In keeping with this commitment, the Company has established a policy that provides "zero tolerance" for actual or threatened violence against employees, customers, visitors, or any other person who has contact with employees in the course of their duties. Security and safety in the workplace is every employee's responsibility. It is therefore essential that every employee understand the importance of workplace safety and security.

In order to promote compliance with this policy and maximize our efforts to provide a safe and secure workplace that is free from violence, the Company, as part of its written Injury and Illness Prevention Plan, has established security measures and practices. It will also provide programs to train and retrain employees as appropriate. This will assist employees and the Company to make the workplace more secure, and to remedy any problems and workplace security hazards that are identified before they lead to injuries.

The welfare of our employees and the security of Company facilities require that every individual be aware of potential security risks. Immediately notify your supervisor if you see any person acting in a suspicious manner, in or around Company premises.

Every verbal or physical threat of violence will be treated seriously by the Company. Any such threat should be immediately reported to your supervisor. Where a violation of this policy is found to exist, the Company will take appropriate corrective action.

In situations where an employee becomes aware of an imminent act of violence, a threat of imminent violence, or actual violence, emergency assistance must be immediately sought. In such situations, the employee should immediately contact their supervisor and, if necessary and appropriate, law enforcement authorities by dialing 911.

An employee will not be discriminated against or retaliated against as a result of the employee making a truthful complaint or report about a credible threat of violence made against themselves, their family members, or other employees.

Full cooperation by all employees is necessary for the Company to accomplish its goal of maximizing the security and safety of its employees. Employees should direct any questions they have regarding their rights and obligations under this policy to Human Resources.

Company Equipment

All Company business machines, equipment and furnishings, including but not limited to desks, computers, cabinets, files and lockers, are Company property and the Company reserves the right to monitor, access, and inspect such equipment and furnishings. Therefore employees should have no anticipation of privacy with respect to any information or materials stored in Company-owned equipment or furnishings.

Voice Mail, E-Mail, And Computer Files

Company-provided voice mail, e-mail, and computers are to be used for business purposes only, and may not be used for personal business. These systems are maintained by the Company in order to facilitate Company business. Therefore, all messages sent, received, composed and/or stored on these systems are the sole property of the Company.

Company computers should not be used to access online databases or Internet services unless such access is for work-related purposes. The Company understands that, on occasion, employees may need to conduct personal business using computing resources. Such use must be limited to break time and employees must not excessively use computing and network resources for personal reasons. Excessive use of computer and/or network resources includes but is not limited to listening to audio broadcasts (live or prerecorded) on the Internet, viewing video broadcasts (live or prerecorded), and downloading large datafiles for personal use. Access to computing and network resources from the Internet is strictly prohibited unless expressly authorized by Computer Operations and the employee's supervisor.

The Company understands that on occasion family members or others may need to leave personal messages on the voice mail system for an employee, and is willing to accommodate this to a limited degree. However, personal use of the voice mail system which interferes with an employee's work performance will not be permitted.

Messages or communications on the Company's voice mail, e-mail, or computer systems are subject to the same policies regarding harassment and discrimination as are any other workplace communications. Offensive, harassing or discriminatory content will not be tolerated by the Company. Content that is considered offensive includes, but is not limited to, any message which contains sexual implications, racial slurs, gender-specific comments, or any other statement that offensively addresses someone's age, sex, sexual orientation, pregnancy status, marital status, religious or political beliefs, ancestry, national origin, citizenship or disability.

Employees should have no anticipation of privacy with respect to Company-provided voice mail, e-mail or computer based communications. The Company reserves the right to monitor, access, and inspect computers, e-mails, voice mails, and other electronically stored documents and data that are used by employees whether on the premises or elsewhere, including but not limited to laptops, employee computers used to telecommute, PDAs (including BlackBerries and iPhones), portable "jump" or USB drives, external hard drives, host computers, file servers, workstations, stand alone computers, software, voice mail, fax transmissions, telephones of any type, and internal or external communication networks. This may be done without notice to an employee and in the employee's absence. Even when a message is erased, it may still be possible to retrieve it from a

backup system. Therefore, employees should not rely on erasure of messages to guarantee that a message remains private.

Notwithstanding the Company's right to retrieve and review such material, such material should be treated as confidential by other employees and accessed only by the intended recipient. Employees are not authorized to retrieve any voice mail or e-mail messages that are not addressed to them.

Employees are prohibited from using passwords without prior Company authorization and registration. The existence of a password on voice mail, e-mail or computer systems is not intended to indicate that messages or other communications will remain private.

Employees are prohibited from loading any software onto a Company-provided computer where such action would violate the software license. Employees are prohibited from loading any software onto a Company-provided computer without the express approval of their manager or supervisor.

The e-mail system should not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary information, or similar matter without prior authorization from the Company.

Anti-Blogging Policy

Employees are prohibited from engaging in web logging or "blogging" during working time or while using Company equipment. Employees "blogging" (including but not limited to use of Myspace, Facebook, Blogspot, Friendster, or Linked In) while not on working time and while not using Company equipment are reminded that they must adhere to the Company's confidentiality policy and that they must avoid the disclosure of trade secrets or other information regarding the Company or any of its owners, managers or employees which would constitute trade libel or defamation. Expect that if you publish something anywhere online, the Company or your co-workers will see it.

Telephones

In order to ensure that telephone calls are handled in a professional and business-like manner and to promote employee efficiency, the Company may monitor employee telephone calls. Therefore, employees should have no anticipation of privacy for either incoming or outgoing calls made on Company-provided telephone equipment.

Right To Search Employees

In the event of a theft or unauthorized taking of property by an employee, or suspected theft or, unauthorized taking by an employee, or possession of a firearm or other potentially dangerous item, we want to minimize the possibility of discipline based upon suspicion or subjective judgment. Therefore, the Company reserves the right to conduct searches of employees, their personal belongings, and any Company furnishings or equipment utilized by employees whenever we deem it necessary. An employee's consent to such searches is a condition of employment, and refusal may result in disciplinary action up to and including termination of employment, even for a first offense.

Right To Observe Employees

In our ongoing effort to achieve the highest level of business efficiency and customer service, the Company reserves the right to observe employees throughout the Company's premises, either by way of direct observation or through the use of electronic devices. The Company may install video cameras to monitor reception areas, work areas and/or other generally open areas where employees may be seen by others. Therefore, employees should have no anticipation of privacy in the workplace, with the exception of restrooms and changing areas.

Advertising And Promotion

Occasionally, the Company may use your and other employees' images, voices and/or likenesses in advertising or in other methods to promote its business. As a condition of employment and in consideration for continued employment, all employees agree to permit the Company to photograph, publish, exhibit, reproduce, distribute, or otherwise use image, voice and/or likeness in connection with any Company product or service. Contact the President or CEO if you have any questions about this policy.

Media Contact

Employees may occasionally be approached for interviews with, to provide comments to, or to provide documents to news media or journalists. Only those employees designated by the President or CEO may act as a spokesperson for the Company or make official comment on Company policy, positions, issues or events that involve or have an impact on the Company.

Any statements or written releases to the media (including, but not limited to, newspapers, television, Internet, and bloggers) must be approved by the President or CEO.

Theft Prevention

If you believe that an employee or any other person is wrongfully taking something of value from the Company or any of its employees, you should immediately notify your supervisor. Until your supervisor arrives on the scene, you should attempt to detain the person by engaging him or her in some kind of social or business conversation. Never attempt to forcibly detain a suspected thief, or accuse him or her of theft. If you are unable to detain the person, attempt to obtain an automobile license plate number or other identification.

The Company will pursue employee theft to the full extent of the law.

Safety First

We pride ourselves on safety. The Company goal is to have no work-related injuries or illnesses. However, the reduction of accidents in our operations is only possible through a team effort involving both employees and the Company. Only through such a cooperative effort can a safety program in the best interest of all be established and preserved.

The Company endeavors to take reasonable precautions in order to provide employees with a safe working environment. The Company will provide all mechanical and physical facilities required for employee safety and health. Injury prevention, however, is largely an individual effort, and all employees are expected to do their part to work safely. No employee is required to work at a job that is not safe or healthful. The Company expects employees to do everything possible so as not to create conditions that can result in injury to themselves or others. If an employee observes an unsafe work condition, he or she should report it to his or her supervisor immediately.

Housekeeping

Our employees have always taken great pride in clean work stations and neat appearance throughout the facility. We want to encourage you to follow this "good housekeeping" tradition; it means keeping your work place and surroundings neat, clean, and free of articles not in use. Each person has the specific responsibility to clean his or her immediate work area and to maintain the area in as attractive and safe a manner as possible. Common areas such as lunch rooms, locker rooms and rest rooms should be kept clean by those using them. Employees are responsible for cleaning their own cups, glasses, dishes, trays and refuse.

Use Of Personal Or Company Vehicles

The Company maintains insurance coverage for employees who are expected to drive Company vehicles as part of their job duties. However, employees who use their own personal vehicles for business purposes must have their own automobile insurance. In such a case, the employee must provide the Company with proof of such insurance, and cause the Company to be named as an additional insured on the employee's insurance policy. The employee must also advise the Company upon being informed of any change in his or her insurance status. Failure to comply with this policy may result in discipline, up to and including the termination of employment.

An employee must not drive his or her vehicle or Company vehicles on Company business, unless doing so is part of their job responsibilities or they have received prior authorization from their supervisor to do so.

Employees are prohibited from using Company vehicles for personal use.

In the course of such operation, employees are expected to exercise good judgment and safe driving practices at all times, including avoiding any activity which may distract their attention from the road or violate any law. Such activity includes speeding or other reckless driving. Any employee who fails to use his or her seat belt, whether a driver or a passenger, in any vehicle on Company business is subject to discipline, up to and including termination of employment.

If an employee whose position involves any driving is unable to obtain or maintain a valid California driver's license, obtain or maintain insurance coverage for his or her own vehicle, and/or is declined for coverage as a driver by the Company's insurance carrier, the Company shall determine whether the employee will be terminated, transferred to a non-driving position, or otherwise.

Employees who have "at fault" accidents while driving on Company business are subject to discipline, up to and including termination, even for a first accident.

Company Property And Equipment

Company-owned vehicles and equipment are expensive and may be difficult to replace. When using vehicles or equipment, you are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines. At no time are Company-owned vehicles or equipment to be used for personal purposes.

If you have any questions about your responsibility for the maintenance and care of vehicles or equipment, you should ask your supervisor.

You should immediately notify your supervisor if any vehicle, equipment, machine, or tool appears to be damaged, defective or in need of repair. Prompt reporting of damage, defects and wear can prevent deterioration of vehicles and equipment and avoid possible injury to you and others.

The negligent, careless or unsafe use of Company vehicles or equipment may result in discipline, up to and including termination.

You are responsible for all Company property, materials or written information issued to you or in your possession or control. You must return all such property, materials or information immediately upon request, or at the time of separation from employment with the Company.

If an employee should fail to return any of the Company's property, or should any of the property be returned in a broken or damaged condition, as a result of the employee's willful act or gross negligence, the Company may deduct the reasonable, depreciated value of the property from the employee's paycheck. The Company may also take all appropriate legal action to recover its property.

401(k) and Employee Stock Ownership Plan (ESOP)

The Company recognizes that the key to its success is the performance of its employees. To reward such performance, the Company has established a 401(k) Plan and Employee Stock Ownership Plan (ESOP). Complete details concerning the 401(k) and ESOP plan will be given to you at the time of eligibility.

Employee Group Insurance

A Company group insurance plan is available to full-time employees and their eligible dependents. Dependents will include registered domestic partners for policies issued or renewed after January 1, 2005.

The Company pays eighty percent (80%) of the premium for employee coverage. Employees pay the remainder of the premium, and the premium for dependent coverage, if elected.

Complete details concerning this insurance will be given to you at the time of eligibility.

Eligibility for this program begins on the first (1st) day of the month following the completion of ninety (90) days of employment.

Federal and state law (COBRA) provides that in case of termination of employment, or certain other events, an employee and his or her family members may be able to continue group insurance coverage by paying the monthly premium themselves. Further information will be provided to you in case of termination of employment.

Sick Leave

In order to minimize the economic hardships that may result from short-term illness or injury, the Company provides sick leave benefits. A regular full-time employee, not temporary employees, is eligible for 6 (six) days of sick leave per year after ninety (90) days of employment. Sick leave will be accrued starting at the beginning of the calendar year and pro-rated for employees joining in the middle of a calendar year.

Sick leave is available in the case of actual illness or injury of an employee or for doctor or dentist visits. In addition, employees may use half (1/2) of their sick leave earned in the case of actual illness or injury of a member of the employee's immediate family, including a domestic partner or for the family member, including domestic partner, to see a doctor or dentist. Sick leave is also available if an employee, or a member of the employee's immediate family, has been the victim of a crime and the employee needs to take time off in order to attend judicial proceedings relating to the crime.

Sick leave may be taken as it accrues. If an employee has no accrued sick leave, he or she may use any available vacation time. If no vacation time is available, the time off may be unpaid.

To be eligible for paid sick leave, you must call your supervisor as early as possible, but in no event later than one (1) hour before your normal starting time.

Any sick leave that qualifies as Family and Medical Care Leave will be counted as such.

Because sick leave benefits are only available for the purpose of assisting an employee who misses work due to an actual illness or injury, an employee will not be paid for unused sick leave, and no sick leave benefits are paid upon termination. Sick leave may not be carried over into the following calendar year.

Paid sick leave is not considered as time worked in the computation of overtime.

Holiday Benefits

All regular full-time employees, not temporary employees, will receive holiday benefits for the following holidays, subject to the restrictions described below:

New Year's Day
President's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day After Thanksgiving
Christmas Day

If you do not work on a holiday, you will receive your regular, straight time rate of pay for that day.

If a holiday falls on a Saturday, it will be observed on the preceding Friday. If a holiday falls on a Sunday, it will be observed on the following Monday.

If a holiday falls during your vacation period, you will be paid for the holiday and will not be charged with a vacation day.

Holidays that are paid but not worked are not considered as time worked in the computation of overtime.

Employees on an unpaid leave of absence for any reason are ineligible for holiday benefits for holidays observed during the period they are on leave of absence.

Vacation Benefits

The Company provides vacation benefits to all regular full-time employees, not temporary employees, for the purpose of giving them a period of rest and relaxation away from work with pay. Accordingly, employees are encouraged to use all vested vacation benefits during the following year in which they are accrued. Except for vacation used in conjunction with family medical leave, vacation requests must be submitted at least ten (10) days in advance of the requested vacation. Every effort will be made to accommodate vacation requests, but all vacations are subject to the Company's operational needs and in its sole discretion. In the

case of conflicting vacation requests, the Company will decide in its sole discretion. The Company may schedule an employee's vacation if the employee fails to schedule vacation with his or her supervisor, or if the Company deems such action appropriate.

Although an employee accrues vacation benefits from his or her first (1st) day of employment, an employee will not be eligible to actually take time off and receive vacation benefits until the completion of six (6) months of service.

In your first (1st) year of employment, you will be eligible for five (5) days of paid vacation after the completion of six (6) months of service.

In your second (2nd) through fifth (5th) year of employment, you will accrue two and one-half (2½) days of vacation credit at the end of each one quarter (¼) of a year worked.

In your sixth (6th) through tenth (10th) year of employment, you will accrue three and three-quarters (3¾) days of vacation credit at the end of each one quarter (¼) of a year worked.

In your eleventh (11th) year and beyond of employment, you will accrue five (5) days of vacation credit at the beginning of each one quarter (¼) of a year worked.

Employees are requested to take vacation days allowed and not accrue days. No more than one-half (½) of your eligible, unused vacation days may be taken in the form of pay.

Unused vacation may be carried over from year to year. However, once an employee has accrued one and three-quarters (1¾) years' worth of vacation, no further vacation will be earned until some of the accrued vacation time has been used.

If a holiday falls during an employee's vacation, the employee will be granted an additional day of vacation.

Vacation pay will be calculated at the employee's straight time hourly rate as of the date of the vacation, or payment, if paid out.

Vacation benefits will be prorated in the event employment is terminated for any reason.

Time Off For Employees

Time off for employees is provided in order for employees to have time away from work, either for health reasons, personal purposes, holiday or vacation. Therefore, if you are taking a day off work, either paid or unpaid, you are NOT expected to conduct any work, without express permission of your supervisor.

Literacy Education

The Company will reasonably accommodate and assist any employee who reveals a problem of literacy and requests assistance in enrolling in an adult literacy education. The Company will make all reasonable efforts to safeguard the privacy of the employee as to the fact that he or she has a problem with literacy.

Upon request, the Company shall provide the location of local literacy education programs and arrange for the literacy education provider to visit the facility. Although the Company strongly encourages its employees to take advantage of this assistance, the Company will not compensate the employee for time off for the enrollment and participation in the adult literacy education program.

Meetings

Full staff and department meetings will be held on a regular basis. Each employee must attend in order to have current information about the Company and its business. Attendance at meetings will be paid as working time.

Mileage

Where specific permission has been granted, you will be reimbursed for all mileage expenditures in the performance of Company business. Employees shall be reimbursed for mileage at the rate provided for in the current IRS Standard Mileage Rate. All claims for reimbursement for mileage expenses must be submitted to your immediate supervisor within thirty (30) days, accompanied with the proper documentation to establish legitimate expenses.

Parking

Parking is provided for all employees. You must park in designated or approved areas. If space is unavailable, you must park off the Company's property. You may not use parking spaces specifically reserved for customers, vendors, or Company vehicles.

The Company is not responsible for any loss or damage to employee vehicles or contents while parked on Company property.

Workers' Compensation

The Company furnishes workers' compensation insurance coverage at its expense. Workers' compensation insurance is intended to provide medical care and pay for lost time resulting from injuries on the job and those illnesses caused by your work. If you are injured on the job, report the injury, no matter how minor, to your supervisor immediately. Failure to timely report an injury may jeopardize your rights to certain benefits.

Workers' compensation insurance coverage is not available to you for injuries that occur during your voluntary participation in any off-duty recreational, social or athletic activity that is not part of your work-related duties, even if sponsored by the Company.

To insure you of quality care in case of work-related injury or illness, the Company will direct you to an appropriate health care provider for the treatment of any such injury or illness. If you wish to be treated by your own health care provider instead, you must notify the Company in writing before any injury or illness occurs.

All employees should remember that workers' compensation fraud is a felony in California, punishable by up to five (5) years in state prison and a fine of up to \$150,000.00. When an employee makes a workers' compensation claim knowing that the injury or illness is not work-related, it is a felony. When an employee allows a doctor, therapist or attorney to use the claim to make money by exaggerating the need for treatment or other benefits, it is also a felony. Workers' compensation fraud costs companies thousands of dollars a year – money that could otherwise benefit hard-working employees. The Company will take all actions necessary to prosecute cases of workers' compensation fraud.

No action will be taken against any employee in any manner for requesting or taking any time off as provided for in this Section of the Handbook.

Social Security

All employees are covered by the Social Security Law and are subject to taxes under the Federal Insurance Contribution Act ("FICA"). A deduction is made from your gross earnings in accordance with the law as your contribution to Social Security. The Company contributes an amount equal to your deduction.

Disability Insurance

As an additional benefit, employees are covered under a state disability plan known as SDI. This insurance provides low cost disability protection if illness or injury not caused by the job prevents you from working.

All employees are eligible and pay for this program.

No action will be taken against any employee in any manner for requesting or taking any time off as provided for in this Section of the Handbook or for testifying in a disability proceeding.

Paid Family Leave Insurance

All employees are covered under the state's paid family leave insurance plan (PFL). This program provides up to six (6) weeks of partial pay in any 12-month period to an employee who is eligible under the Family Medical Leave Act, the California Family Rights Act, or any Company policy, to take time off work to care for a seriously ill parent, spouse, registered domestic partner or child, or to take time off to bond with a newborn child or a newly placed adopted or foster child. PFL does not create any additional rights to time off of work.

PFL is funded by an employee payroll deduction, according to law. PFL benefits are paid to an employee by the state.

An employee will be required to use up to two (2) weeks of accrued, unused vacation before receiving any PFL benefits.

Unemployment Insurance

If your employment terminates, you may be eligible to receive unemployment insurance. In most cases, you must file a claim in order to collect this benefit. Should such a situation arise, you should inquire about unemployment insurance at the time of your separation from service.

No action will be taken against any employee in any manner for testifying in an unemployment insurance proceeding.

Rules Regarding All Leaves

Non-Retaliation

No action will be taken against any employee in any manner for requesting or taking any of the leaves of absence provided for in this Section of the Handbook.

Accrual of Benefits While on Leave of Absence

Vacation days, holidays and sick leave do not accrue during any period of a leave of absence, except that an employee returning from a military leave of absence will be reinstated with full benefits.

Working Elsewhere While on a Leave of Absence

Employees cannot be employed elsewhere or apply for unemployment benefits while on leave.

Failure to Return After a Leave of Absence

Failure to return from leave of absence by the scheduled time may result in termination.

Following a Leave

An employee who returns to work following a leave of absence resulting from an injury or illness may be required to take a physical examination to: (1) determine if the employee is an "individual with a disability" for purposes of the Americans with Disabilities Act and any other applicable federal or state law; (2) to determine if the employee can perform the essential functions of the job to which he or she is returning with or without reasonable accommodation and without posing a direct threat to the health or safety of others; and (3) to identify an effective accommodation that would enable the employee to perform the essential functions of the job. Any physical examination required by the Company is provided by the Company at no cost to an employee.

Pregnancy Disability Leave

An employee will be granted a leave of absence due to disability arising from pregnancy or childbirth.

Request for Leave

No employee shall be granted a pregnancy disability leave unless she submits a written request for pregnancy leave, and, in addition, furnishes a doctor's written certification stating the beginning date and length of such

leave. Written updates may be requested from time to time thereafter. Failure to provide the above information is grounds for denial of a pregnancy disability leave of absence.

Length of Leave

A leave of absence for the birth of a child or for any other pregnancy related medical condition will be granted for the period that an employee is disabled. Prior to the birth of a child, an employee may take leave intermittently for prenatal examinations and for pregnancy related illnesses such as severe morning sickness. The maximum amount of time off for all pregnancy related conditions shall not exceed four (4) months for each pregnancy disability. Part-time employees are entitled to a pro rata leave.

Compensation and Benefits

Pregnancy disability leave is without pay. The Company will, however, continue to pay the premium for the employee's health insurance that the Company would have paid but for the employee's leave. The employee will be responsible for paying for the employee portion of the health insurance premium, and such payment will be due at the same time as if it had been made by payroll deduction. Such Company payment will continue for a maximum of twelve (12) weeks in any 12-month period.

Use of Vacation and Sick Leave

An employee who takes a pregnancy disability leave must use accrued sick leave pay and may use accrued vacation pay.

Return from Leave

An employee returning from a pregnancy disability leave of absence must furnish a doctor's written certification of her fitness to perform the essential functions of her job, with or without reasonable accommodation.

Upon return from such a leave of absence, the Company will use its best efforts to return the employee to the same position held prior to the leave of absence. If this position is not available, a comparable position will be offered.

Family And Medical Care Leave

After one (1) year of aggregate employment, any employee who has worked at least 1250 hours (excluding vacations, holidays, sick leave and leaves of absence) during the immediately preceding 12-month period will be granted an unpaid leave of absence due to the birth of a child, the placement of a child by adoption or for foster care, to care for a child, spouse (including registered domestic partners) or parent with a serious health condition, or on account of the employee's own serious health condition, including work-related injuries or illness. This leave is only available to an employee who is employed at a location where fifty (50) workers are employed, or who work within seventy-five (75) miles of each other.

Length of Leave

Leave time may not exceed twelve (12) weeks off in any 12-month period, commencing with the first day on which any family and medical care leave is taken. A family and medical care leave may be taken in addition to any leave of absence that an employee may be entitled to on account of a disability resulting from pregnancy disability.

No more than a combined total of twelve (12) weeks of family and medical care leave in a 12-month period will be granted to a husband and wife who both work for the Company where the leave is taken on account of the birth of a child, for placement of a child by adoption or for foster care, or to care for a child, spouse or parent with a serious health condition.

If the leave is required due to a planned medical treatment, the employee must make a reasonable effort to schedule the treatment to avoid disruption of the Company's operations.

Use of Vacation or Sick Leave

An employee who takes a family or medical care leave must use accrued vacation pay.

An employee who takes a family or medical care leave on account of his or her own serious medical condition must use accrued sick leave pay.

Intermittent Leave

If the leave is due to a serious health condition in the employee's family or the employee's own health problems, it will, upon request, be granted to an employee on an intermittent basis. If the employee has requested intermittent leave, the Company may temporarily transfer the employee to another position which better accommodates recurring periods of leave, provided that the employee is qualified for the other position and that the employee continues to receive equivalent pay and benefits.

Request for Leave

No leave will be granted to an employee unless he or she submits a written request for a family and medical care leave stating the beginning date and length of such leave. If the employee's need for family or medical care leave is foreseeable, the employee must provide the Company with reasonable advance notice of the need for the leave. Written updates may be required from time to time thereafter. Failure to comply with these requirements is grounds for denial of a family or medical care leave.

Where the leave is requested to enable the employee to care for a seriously ill child, spouse or parent, or because of the employee's own serious health condition, the employee must furnish a doctor's written certification, on a form provided by the Company, including the date the serious health condition commenced, and an estimate of the probable duration of the condition. For leave to enable the employee to care for a seriously ill child, spouse or parent, the written certification must also contain an estimate of the amount of time that the doctor believes the employee needs to care for the family member, and a statement that the serious

health condition warrants participation of a family member to provide care during a period of treatment or supervision.

For leave because of the employee's own serious health condition, the written certification must also indicate if the employee is unable to perform work of any kind or is unable to perform the essential functions of the employee's job as set forth in the employee's written job description.

Second Medical Opinion

Prior to granting a leave because of an employee's own serious health condition, the Company may request a second (2nd) medical opinion to be rendered by a doctor of its choice. If the opinions of the employee's and the Company's doctors differ, the Company may require a final and binding opinion from a third (3rd) doctor, jointly approved by the Company and the employee.

Compensation and Benefits

Family and medical care leave is without pay. The Company will, however, continue to pay the premium for the employee's health insurance that the Company would have paid but for the employee's leave for a maximum of twelve (12) weeks in any 12-month period. The employee will be responsible for paying for the employee portion of the health insurance premium, and such payment will be due at the same time as if it had been made by payroll deduction. Insurance may be cancelled if the employee fails to pay his or her portion while on leave.

Return from Leave

Where family and medical care leave has been taken by an employee on account of the employee's own serious health condition, before the employee returns to work, the employee must provide the Company with a written doctor's certification that the employee is able to resume work. The Company reserves the right to require a physical examination by a doctor of its choice to determine if the employee is able to perform the essential functions of the employee's job as set forth in the employee's written job description.

Upon return from such a leave of absence, the Company will use its best efforts to return the employee to the same position held prior to the leave of absence. If this position is not available, a comparable position will be offered.

Industrial Medical Leave

An employee shall be granted a leave of absence due to industrial (work-related) illness or injury. Any leave taken under this provision qualifies as Family and Medical Care Leave and will be counted as such.

Request for Leave

An employee must submit a written request for an industrial medical leave of absence, and, in addition, furnish a doctor's written certification stating the cause, beginning date and length of such leave. Written updates

may be requested from time to time thereafter. Failure to provide the above information is grounds for denial of an industrial medical leave of absence.

Length of Leave

An industrial medical leave of absence shall be for a reasonable period of time during which an employee is disabled, but the leave of absence shall not extend beyond the time that the employee is deemed "permanent and stationary."

Use of Vacation and Sick Leave

An employee who takes a leave for industrial illness or injury must use accrued vacation and sick leave pay.

Compensation and Benefits

Leaves of absence for industrial illness or injury are without pay from the Company, but the employee may be entitled to disability payments under the Company's Workers' Compensation insurance policy. The Company will, however, continue to pay the premium for the employee's health insurance that the Company would have paid but for the employee's leave for a maximum of twelve (12) weeks in any 12-month period. The employee will be responsible for paying for the employee portion of the health insurance premium, and such payment will be due at the same time as if it had been made by payroll deduction. Insurance may be cancelled if the employee fails to pay his or her portion while on leave.

Return from Leave

An employee returning from an industrial medical leave of absence must furnish a doctor's written certification of his or her fitness to perform the essential functions of his or her job, with or without reasonable accommodation.

Upon return from such a leave of absence, the Company will use its best efforts to return the employee to the same position held prior to the leave of absence. If this position is not available, a comparable position will be offered.

Military Leave

An employee who enters the armed forces of the United States will be granted a military leave in accordance with federal laws.

Request for Leave

An employee must provide advance notice of the need for military leave, unless prevented from doing so by military necessity or if providing notice would be impossible or unreasonable.

Length of Leave

The Company will grant up to a total of five (5) years for an employee's military leave of absence, which includes the cumulative length of all absences from employment due to military service.

Use of Vacation

An employee who takes a military leave of absence may request to use his or her accrued vacation.

Compensation and Benefits

Military leaves of absence are without pay from the Company. All other rights and benefits will continue as if the employee had remained continuously employed and will be available to the employee upon reinstatement.

Return from Leave

Upon completion of military service, the employee will be reinstated with full seniority to his/her former position or to a comparable position if application for re-employment is made within ninety (90) calendar days from release from the service or hospitalization. However, the employee will not be reinstated if the Company's circumstances have so changed that re-employment is impossible or unreasonable.

National Guard Service

An employee who is a member of the National Guard or a reserve component of the armed forces shall, upon furnishing a copy of the official orders or instructions, be granted a military training leave. Training leaves shall not, except in an emergency or in the event of extenuating circumstances, exceed two (2) weeks a year, plus reasonable travel time. The employee may choose to take vacation, if accrued, during military training.

Military Spouse Leave

Any employee who works an average of twenty (20) or more hours per week is eligible for military spouse leave. Eligible employees who are the spouse or registered domestic partner of a member of the Armed Forces, National Guard or Reserves may take up to ten (10) days of unpaid time off while the military spouse is on leave from active duty during a period of military conflict.

An employee desiring to take this leave must provide the Company with written notice of intent to take time off within two (2) business days of the employee's receipt of notice that the military spouse will be on leave. The notice must indicate the days that the employee desires to take off and must attach written documentation certifying that:

- The military spouse is deployed in an area the President of the United States has designated a combat zone or combat theater; and
- That the military spouse will be on leave during the time that the employee is requesting to take off work.

The Company will not discriminate against or retaliate against an employee who takes this leave or requests to take this leave. This leave is in addition to and does not affect any other types of leave which the employee is allowed.

Personal Leave

An employee may, at the sole discretion of the Company, be granted a personal leave of absence.

Request for Leave

An employee must submit a written request for a personal leave of absence. If the leave is requested as the result of an employee's non-industrially related injury or illness, the employee must also furnish a doctor's written certification stating the cause, beginning date and length of such leave.

Length of Leave

A personal leave of absence shall be for a reasonable period of time, which shall be determined at the discretion of the Company.

Compensation

Personal leaves of absence are without pay from the Company.

Use of Vacation and Sick Leave

An employee who takes a personal leave of absence must use any accrued vacation pay. If the leave of absence is the result of a non-industrially related injury or illness, the employee must also use accrued sick leave pay.

Return from Leave

An employee returning from a personal leave of absence resulting from a non-industrial injury or illness must furnish a doctor's written certification of his or her fitness to perform the essential functions of his or her job, with or without reasonable accommodation.

Upon return from a personal leave of absence, the Company will use its best efforts to return the employee to a position which is the same or similar to that previously held.

Alcohol And Drug Rehabilitation Leave

The Company wishes to assist employees who recognize that they have a problem with alcohol or drug use that may interfere with their ability to perform their job in a satisfactory manner.

If you have a problem with alcohol or drugs and decide to enroll voluntarily in a rehabilitation program, you will be given unpaid time off to participate in the program unless it would result in an undue hardship to the

Company. If you request time off to participate in such a program, the Company will also make reasonable efforts to keep confidential the fact that you have done so.

You must use accrued sick leave or vacation benefits while on leave. However, additional benefits will not be earned during the leave of absence. The leave will be subject to the same provisions and rules as apply to medical leaves.

No action will be taken against any employee in any manner for requesting or taking any leave of absence provided for in this Section of the Handbook. However, the Company will not continue to employ any person whose performance of essential job functions is impaired by drug or alcohol use. Nor will the Company re-employ any person who has participated in alcohol and drug rehabilitation if the person's job performance remains impaired as a result of dependency. Employees who are given the opportunity to seek rehabilitation, but fail to successfully overcome their dependency will not be given a second opportunity to seek treatment.

This policy on treatment and rehabilitation is not intended to affect the Company's treatment of employees who violate the Company's drug and alcohol policy. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

Leave Of Absence For Emergency Service

The Company will give time off to an employee to perform emergency duty as a volunteer firefighter, reserve peace officer, or emergency rescue personnel.

An employee who is a volunteer firefighter will be granted leaves of absence not to exceed a total of fourteen (14) days in any calendar year for the purpose of engaging in fire or law enforcement training. If you need time off on account of such training, you should notify your supervisor as soon as possible so that arrangements to accommodate your absence may be made. Time off to serve or train as a volunteer firefighter is unpaid, however, you may choose to use accrued vacation during this time off.

No action will be taken against any employee in any manner for requesting or taking any time off as provided for in this Section of the Handbook.

Bereavement Leave

If you suffer a death in your immediate family, the Company will provide you with up to three (3) days off with pay so that you can attend the funeral and see to other arrangements. For the purposes of this policy, immediate family includes your spouse, parents, parents-in-law, grandparents, siblings, children, and domestic partner.

School Visitation

Because the Company recognizes the importance of the family obligations that many employees bear, you will be granted up to forty (40) hours each year, not to exceed eight (8) hours per month, to visit your child's or grandchild's pre-school, nursery school, elementary or secondary school for parent conferences, special

programs and the like. You may take off such additional time as may be necessary to attend your children's or grandchildren's school in order to discuss your child's or grandchild's possible suspension or expulsion.

If you will be visiting your child or grandchild's school, you should alert your supervisor as soon as possible so that alternative arrangements can be made.

If both parents of a child are employed by the Company, only one (1) parent may take time off to attend a particular school activity. The parent who first gives notice of a planned absence will have preference for time off.

You may use vacation time for such absences; otherwise, school visitation time will be unpaid. However, the salary of an exempt employee will not be reduced if he or she misses only a portion of a day for school related activities.

No action will be taken against any employee in any manner for requesting or taking any time off as provided for in this Section of the Handbook.

Jury Duty

Any employee wishing to serve on jury duty may do so.

You should bring any juror's questionnaire to your supervisor immediately after it is received so that arrangements to accommodate your absence may be made.

While serving on a jury, you are expected to report for work whenever the court schedule permits, unless otherwise instructed by the Company. You may be required to provide the Company with written proof of jury duty.

Hourly employees and salaried (exempt) employees will not be paid by the Company while serving on a jury. A salaried (exempt) employee's salary will not be reduced for partial weeks of work due to service as a juror. However, a salaried employee will not be paid by the Company if he or she misses an entire week of work due to jury duty.

If desired, you can use any available vacation time while serving on a jury. You may keep any jury fees, appearance fees, or mileage allowances paid by the court while serving on jury duty.

No action will be taken against any employee in any manner for requesting or taking any time off as provided for in this Section of the Handbook.

Judicial Leaves

Court Appearance

An employee, including a victim of a crime, may take time off to appear in court as a witness in order to comply with a subpoena or other order.

If you need time off to appear as a witness, you should bring the subpoena or court order to your supervisor immediately after it is received so that arrangements to accommodate your absence may be made.

While taking time off to appear as a witness, you are expected to report for work whenever the court schedule permits. Time off to appear as a witness is unpaid. However, you may use any available vacation time. You may also keep any appearance, witness, or mileage fees paid by the court.

Domestic Violence and Sexual Assault Victims

An employee who is a victim of domestic violence or sexual assault may take time off in order to obtain judicial relief to help ensure the health, safety or welfare of the employee or his or her child.

You may also take time off for any of the following: (1) to seek medical attention for injuries caused by domestic violence or sexual assault; (2) to obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence; (3) to obtain psychological counseling related to an experience of domestic violence or sexual assault; or (4) to participate in safety planning and take other actions to increase safety from future domestic violence or sexual assault.

If you need time off on account of domestic violence or sexual assault, you should notify your supervisor as soon as possible so that arrangements to accommodate your absence may be made. If advance notice is not possible, you must provide appropriate written certification of the reason for your absence upon your return to work.

The Company will make reasonable efforts to maintain the confidentiality of any employee requesting time off on account of domestic violence or sexual assault.

Time off on account of domestic violence or sexual assault is unpaid. However, you may use any available vacation time.

Victims of Crime

An employee who is a victim of a felony, or whose spouse, registered domestic partner, child, stepchild, sibling, step sibling, parent, or step parent is a victim of a felony, may take time off in order to attend judicial proceedings relating to the crime.

If you need such time off, you must give your supervisor a copy of the notice of the scheduled proceeding. If advance notice is not possible, you must provide a copy of documentation relating to the judicial proceeding within a reasonable period of time after your return to work.

If desired, you can use any available vacation or sick leave while attending judicial proceedings relating to a crime.

Voting Time

Because the Company has a continuing interest in encouraging responsible citizenship, you are urged to vote for candidates of your choice at local, state and national elections either before or after an employee's regular shift. In extreme cases, if you do not have sufficient time outside of working hours within which to vote, you will be allowed to take up to two (2) hours off with pay for this purpose. Such time off should be taken at the beginning or end of your regular shift, whichever allows for more free time.

To receive time off for voting, you must advise your supervisor that you will need time off at least three (3) days before Election Day, receive approval from your supervisor, and present a voter's receipt to your supervisor.

No action will be taken against any employee in any manner for requesting or taking any time off as provided for in this Section of the Handbook.

Resignation

If you find it necessary to resign your employment with the Company, you are asked to give at least two (2) weeks advance notice to your supervisor, in writing, specifying your last day of work. Employees who do not provide the requested notice may be considered ineligible for rehire.

Circumstances may exist where the Company will exercise its right to immediately accept an employee's resignation and to accelerate the final date of employment. The Company reserves its right to accept a resignation and recognize an employee's termination date as any date it chooses between the date the resignation is submitted and the date designated by the employee as the last day of employment.

Exit Interview

The Company will schedule an exit interview with each employee who leaves the Company, regardless of the reason. This interview allows an employee to communicate his or her views on their work with the Company. It also provides the employee an opportunity to discuss issues concerning insurance and other benefits. At the time of the exit interview, an employee is expected to return all Company-provided equipment and tools. Arrangements for clearing any outstanding debts that the employee might owe the Company and for the employee to receive his or her final paycheck are also made at this time.

Severance Pay

The Company does not, as a matter of course, provide severance pay to employees who terminate employment, either voluntarily or otherwise.

Receipt And Acknowledgment

This is to acknowledge that I have received a copy of the Technical Connections, Inc. Employee Handbook. This Handbook sets forth the terms and conditions of my employment as well as the rights, duties, responsibilities and obligations of my employment with the Company. I understand and agree that it is my responsibility to read and familiarize myself with all of the provisions of the Handbook. I further understand and agree that I am bound by the provisions of the Handbook, particularly the provision relating to the mandatory, binding arbitration of any employment-related dispute. I understand that by agreeing to arbitration, I am waiving the right to a trial by jury of the matters covered by the "Arbitration" provisions of the Handbook.

I understand the Company has the right to amend, modify, rescind, delete, supplement or add to the provisions of this Handbook, as it deems appropriate from time to time in its sole and absolute discretion. I further understand that my employment is at will and no manager, supervisor, or other employee of the Company, other than the President or CEO, can enter into an agreement for continued or indefinite employment or employment for a specific term, position, or rate of pay, and that any such agreement must be in writing.

My signature below certifies that I understand that the foregoing agreement on at will status is the sole and entire agreement between the Company and me concerning the duration of employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings and representations concerning my employment with the Company.

Dated: _____

EMPLOYEE SIGNATURE