



YOUTH EMPOWERMENT SERVICES, INC.
511 FREDERICKSBURG RD.
SAN ANTONIO, TEXAS 78201
(210) 735-2341

PERSONNEL HANDBOOK
(Personnel Procedures and Job-Related Information for
Team Members)

DISCLAIMER:

Company employment policies represent the personnel guidelines of the Agency.

This handbook does not create an employment contract, these policies are only guidelines and do not represent an employment contract and team members should not treat them as such. They are designed to enhance Company operations.

Team members are terminable at-will by the agency. Similarly, Team members may resign their positions without penalty. No individual board member or Team member has the authority to alter any Team member's at-will status, or guarantee a Team member's employment for a specific period of time, unless it is approved by the board of directors, is in writing, and is signed by both the Team member and the chair of the board of directors. The policies may be changed with or without notice, although we will endeavor to keep Team members abreast of any changes necessary. All policies described herein can be changed at any time and without notice by the CEO and/or the Board of Directors.

Youth Empowerment Services, Inc. reserves the right to amend or withdraw any or all provisions of the personnel handbook at any time with or without notice based upon professional and business concerns we consider in the best interests of all involved, including management and Team members.

ACKNOWLEDGMENT OF RECEIPT OF PERSONNEL HANDBOOK

I have read this at-will employment policy. I understand that employment with the company is terminable by either party with or without cause at any time and that employment is for an indefinite period, unless terminated by either party. My signature below acknowledges my reading and understanding of this company's at-will employment policy.

TEAM MEMBER SIGNATURE

PRINT TEAM MEMBER'S NAME

Date

WITNESS SIGNATURE

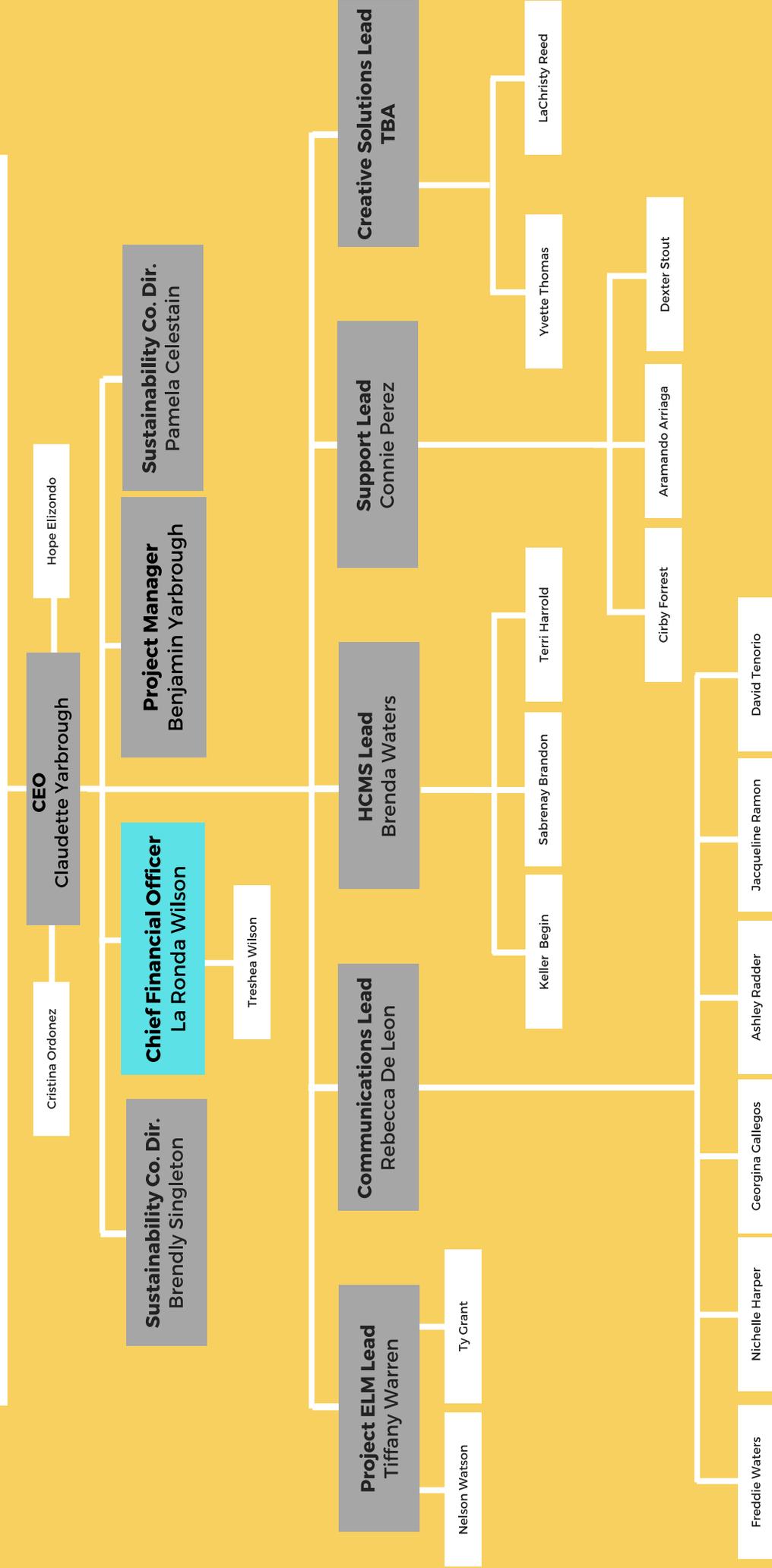
Date

YES, INC.

YES! WE FOLLOW THE GOLDEN RULE.

ORGANIZATIONAL CHART

Youth Empowerment Services, Inc. (YES, Inc.) NONPROFIT BOARD OF DIRECTORS



KEY:

Management

Accounting & Management

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1. INTRODUCTION

1.1. WELCOME TO YOUTH EMPOWERMENT SERVICES, INC. (YES, INC.)

Welcome to Youth Empowerment Services, Inc. You have elected to join an organization that is dedicated to helping educators become more effective. We hope this will be a long, productive, and satisfying career at our agency.

This personnel handbook was prepared to help you become familiar with Youth Empowerment Services, Inc. and its personnel standards and procedures. Please read it carefully and if you have questions or concerns speak with your supervisor. If you need further information or assistance please contact YES INC.'s Human Resources Department at (210) 457-2184 ext. 701.

On behalf of our YES, INC. extended family, thank you for joining us. We look forward to working with you.

Sincerely,

Claudette Yarbrough, CEO

1.2. About this Personnel Handbook

The purpose of this personnel handbook is to provide Team members with a source of information about YES INC.'s procedures and policies. The policies and procedures in this handbook are to serve as guidelines. Although YES INC has tried to be comprehensive, the handbook does not, and cannot, include procedures and policies, which address every situation that may arise. Such a list would be limitless.

YES INC has, and reserves, the right to adopt new procedures and policies, or modify, alter, change or cancel existing policies and procedures at any time. Violation of any provision within this handbook may lead to disciplinary action up to and including discharge from employment.

Questions regarding this handbook or any of the policies/procedures should be directed to your supervisor or to the Human Resources Department.

1.3. About Youth Empowerment Services, Inc.

Welcome to Youth Empowerment Services, Inc. a 501(c)3 nonprofit agency founded in 1995 with the idea that we could focus on helping individuals become more self-sufficient in order to be an asset instead of a liability to our world. Through our comprehensive service system, educators receive the training and ongoing help that they need to transform their classrooms so that students have equitable access to effective educators. We have learned a lot over the past 25 years and we continue to strive to better assist the charter school systems we work with.

We are currently charged with working together with selected Charter School Districts to ensure that the students have effective educators in the classroom (on) (add?) day one of each school year. We specialize in helping educators become effective assets so that students have better educators. With funding from the USDE in 2010 (TIF 3), then again in 2016 (TIF 5) and finally in 2017 (TSL), our work has led to many changed lives in the interest of educating students more effectively.

Dual Employment with YES, Inc./Por Vida Academy: Most Grant-Funded team members are paid by one entity (Por Vida) and work under another entity (YES, Inc.). Although guidance and authority comes primarily through YES, Inc., team members who require actions in response to violations, may receive discipline levied by either entity. Please refer to the attached Memo of Understanding (MOU) regarding this working relationship.

MINI VISION

YES! We Follow the Golden Rule.

“All day, everything day---treat all people as important as ourselves”

“Everything we do has a hidden opportunity to push others up”

[TEDTALK-Golden Rule](#)

Having a vision provides a sense of purpose and direction for the business. Your vision will help you define your short and long-term goals, and guide the decisions you make along the way. “A leader has the vision and conviction that a dream can be achieved. He inspires the power and energy to get it done.”

MISSION

We exist so that all children have effective educators. We help educators become more effective.

We know intuitively that highly effective teachers can have an enriching effect on the daily lives of children and their lifelong educational and career aspirations. We now know empirically that effective teachers also have a direct influence in enhancing student learning. Years of research on teacher quality support the fact that effective teachers not only make students feel good about school and learning, but also that their work actually results in increased student achievement. Studies have substantiated that a whole range of personal and professional qualities are associated with higher levels of student achievement. -Pamela D. Tucker and James H. Stronge (who are these people?)

Every organization needs a mission statement. It's the driving force of the company, not just a brochure-filler. It says exactly who the company is—and who they are not.

[Dave Ramsey- Master Series "Vision, Mission Statements and Goals](#)

CORE VALUES

INTEGRITY - We continually practice what we believe!

AT YES, Inc., we walk out each day our belief in serving and building educators.

As Brian Cagneey says in Leadership: The 7 Laws Of Leadership: "The first law of leadership is that your foundation is built through integrity,..."

<https://www.youtube.com/watch?v=92eYSqM5no>

NO GOSSIP - We take negatives up and positives all around!

Nothing has the potential to stop momentum, discourage or bring dis-unity like GOSSIP.

At YES, Inc., we practice an open, transparent communication which strengthens our mission and team. "Nothing productive is ever achieved as a result of spreading, or listening to gossip. Don't waste your time! You can make more productive use of it. Catherine Pulsifer,

<https://www.youtube.com/watch?v=EFpANOYMkjk>

CLEAR COMMUNICATION - We believe to be unclear is to be unkind!

Clear, concise and timely communication will help to keep everyone in the loop of outstanding, and completed tasks, as well as keep the morale of the team up while planning your even

Communication is the Key to Personal and Career Success-Paul Meyer.

If it takes a Lot of words to say what you have in mind, give it more thought . -Dennis Roth

[Clear Communication in the Workplace](#)
[Concise Communication Video](#)

FAILURE LEADS TO SUCCESS — We believe using what we learn from our own failures leads us to success!!

“Its fine to celebrate your success but its more important to heed the lessons from failure. – Bill Gates

“Success is not final, failure is not fatal: it is the courage to continue that counts.” - Winston Churchill.

[Fail your way to Success Video](#)

REFLECTION

We deliberately “think” about our “thinking” in order to continuously learn and grow!

In a professional context, ‘reflection’ often means critically assessing the ways in which we can improve upon a certain task or performance, how we cope with certain situations or even, how we interact with people we meet. Reflection is an integral part of the learning process. It allows us to learn more about ourselves and how we learn, but it also aids us in improving academic skills. Consider sports teams that watch film of the previous night's game. They're able to identify mistakes and correct them at practice.

[Self Awareness/Reflection Video](#)

[Basics of Reflective Thinking](#)

MODELING - We demonstrate what we expect from others and ourselves!

Positive modeling is a system of mentoring and discipline that focuses on positive workplace behavior and performance. Positive modeling provides a way to train team members and improve their success. It has an effect on both the individual team member and those who are part of the larger team effort.

[Modeling Video](#) – How to be a Good Role Model- 6 Traits

SELF EMPLOYED MENTALITY - This isn't a J-O-B, we all act like we own the place!

We strive to have mentality that we own the place; that this isn't just a J-O-B. This means making decisions as if each team member were an owner and sacrificing oneself for the betterment of the organization. We instill in our team members the importance of making good financial and business decisions that drive both short and long-term profits,

customer/stakeholder loyalty, and teamwork. We all work together to take care of our facilities. And if we are really thinking about being “self-employed”, we also recognize the importance of how we’re perceived on and off the job.

[Team member v. Entrepreneurial Mindset](#)

[Dave Ramsey-Characteristics of an Entrepreneur](#)

TEAM - We are team members, not Team members!

At YES, Inc., we understand that we all are connected to our success. Every member is important and the Agency’s success is tied to each Team member’s success.

Michael Welton said it great: “Without teamwork, there is no way that the company is going to experience success. In teams, individuals will work together and accomplish a lot more that what they do by themselves.”

[The Power of Teamwork](#)

HUMILITY - We focus on others – more!!

At YES, Inc., each Team member knows that the lane of responsibility may be narrow one day, wide the next. Responsibilities may be singular one moment, multiple the next. Impactful Individually or as a cooperative task. It’s in humility that we serve and humility that we serve one another. We call it “pulling each other up”.

[Nelson Madela Explains Video](#)

SMART - We get people!!

Smart team members are interpersonally appropriate and aware. They have good judgment and intuition around the subtleties of group dynamics and the impact of their words and actions.

[Hungry Humble Smart Video](#)

2. STARTING YOUR JOB

2.1. Accuracy of Information- HIRING

Youth Empowerment Services, Inc. (YES, Inc.) is an equal opportunity employer and will not discriminate in the hiring process on the basis of sex, religion, race, color, age, disability, sexual orientation, marital or veteran status, or national origin.

The Company will always try to hire the best qualified applicant. Whenever possible, new positions for which the Company advertises will be posted for all current Team members to see. Files of applicants will be maintained in Personnel. We will review these files when possible to seek new Team members.

Reference checking is an important part of our hiring process. In addition to contacting the persons furnished to us as references, we may also contact other business associates, acquaintances, and friends. We ask all references a series of questions about work experience, character, personal habits, educational background, and personality as they pertain to successful fulfillment of our job requirements. In some cases, we ask an outside firm for consumer reports. In such instances, applicants will be notified before the report is requested and asked for written acknowledgment of such notification. If any negative information is obtained by an outside firm that results in our not hiring an applicant, he/she will be given the name and address of the reporting agency.

Applicants who falsify their job applications or who furnish misleading information are subject to immediate termination at the time that the fraud is uncovered.

Employment applications will be kept on file for 12 months from the date that the application is completed (received). Every applicant will be informed of this procedure at the time of the initial application. All current pertinent applications will be reviewed when a vacancy occurs. Once an application reaches the "expiration" date, it will be removed from the file. Files will be checked on a monthly basis.

It is our policy to employ only those persons who are entitled to work in the United States. It is also Company policy to comply with the immigration laws of the United States. Accordingly, all Team members are required to have the legal right to work in this country. In accordance with the regulations of the Bureau of Citizenship & Immigration under the Department of Homeland Security, the Company will require individuals to establish (verify) their right to work in this country.

All offers of employment are conditioned on the individual establishing the right to work in this country. Within three days of the first day of work, all individuals will be required to produce documents acceptable under the INS regulations to establish that right.

2.2. Personnel Files-Employment Application & Other Forms

New Team members are asked to complete the following forms:

- Employment Application
- Reference Checks
- Job Descriptions
- W-4 Team member's Withholding Allowance Certificate

- I-9 Employment Eligibility Form
- Team member Election Form to Withhold Certain Information from Public Access
- Acknowledgement of Receipt of Personnel Handbook
- Authorization for Direct Deposit
- Applicable Healthcare/Benefit Forms
- Fingerprint authorization form
- Non-Disclosure Agreement
- exit interviews
- termination records
- records related to hiring, promotion, demotion, transfer, layoff, compensation, training, etc

Current Team members may be required to update or execute any of the above forms. Any Team member who fails or refuses to complete the above forms or to provide Youth Empowerment Services with requested documentation may be subject to discipline, up to and including discharge from employment.

2.3. REFERENCES

It is our policy to answer requests for references as completely and honestly as possible. All requests for information will be handled responsibly, and only qualified personnel will be involved.

Information will be given to duly authorized requests from law enforcement agencies, including investigators, summonses, subpoenas, and judicial orders. The Company need not inform an Team member that personal information has been disclosed to law enforcement agencies if it concerns an investigation into the Team member's on-the-job conduct, especially when a Team member's actions endanger other Team members or Company security or property.

All requests for references about current, retired, or terminated Team members must be referred to the Human Resources Office. No supervisor is authorized to give any information about current or former Team members without the approval of CEO.

2.4. JOB DESCRIPTIONS

The purpose of a written job description is to ensure that every Team member has a clear and concise explanation of the exact tasks that they are expected to perform.

Job descriptions will be prepared when a new job or position is created or when an existing position is significantly altered.

If there is something in a job description that Team members do not understand, they should call it to the attention of their immediate supervisor. If parts of the job are not explained in the description, that should also be reported to a supervisor.

Every job description should include the essential duties and responsibilities that a Team member performs every day or at regular intervals. It should also include occasional duties that they may be asked to perform on occasion, but that are not part of the normal job functions.

2.5. BACKGROUND CHECKS

Fingerprint Authorization Agreement

A person offered employment may be subject to a fingerprint applicant services of Texas screening. Each individual serving or expected to serve in the aforementioned roles will be expected to comply and submit the necessary information for the fingerprint based search and must complete the process prior to their first day of employment.

Additionally, volunteers are subject to criminal background checks and will be required to comply and submit the necessary information for the background check.

Criminal

The Company may conduct a background check to determine or verify background information, including criminal history. The purpose of the background check is to ensure that individuals who join the Company are well-qualified, have a strong potential to successfully fulfill the requirements of the job, and have honestly presented their background and qualifications as outlined on their application and résumé.

Background checks apply to new hires, as a condition of employment, after the job offer is made. Employment will be contingent upon the results of the background check.

Credit Report

The Company may seek consumer or investigative consumer reports when evaluating job applicants for certain positions, or considering Team members for promotion or reassignment in sensitive areas. We will not use information obtained in these reports unless it is essential to the hiring or employment decision.

Consumer reports are any written, oral, or other communication of information reflecting a person's creditworthiness, character, general reputation, personal characteristics, or mode of living.

Investigative consumer reports are based on information that is obtained through personal interviews with the individual's friends, neighbors, associates, or acquaintances.

There must be a job-related reason before the Company will request either a consumer report or an investigative consumer report. In addition, the Company will follow all provisions of the Fair Credit Reporting Act (FCRA) in seeking background information for job applicants and Team members.

Background checks are conducted on current Team members annually.

Depending on the nature of the position, the Company may inquire into an applicant's background in one or more of the following areas: educational records, criminal records, credit records, driving records, Workers' Compensation records, military records, federal court records, etc. Other kinds of verification checks may be added if a particular position warrants.

When the Company asks an outside firm for a consumer credit report, applicants/Team members will be notified before the report is requested and asked for written acknowledgment of such notification. If any negative information is obtained by an outside firm that results in an adverse employment action, the applicant/Team member will be given the name and address of the reporting agency.

To assure confidentiality of all applicant information obtained during a background check, The agency office coordinates the background checking process.

Any applicant who provides misleading, erroneous, or deceptive information on the application form, résumé, or in an interview could be immediately eliminated from further consideration for employment and/or terminated if already employed.

2.6. New Team member Orientation

During the first 90 weeks of employment, a Team member must attend an orientation that will include the following subject areas:

- A review of the personnel manual;
- A tour of the campus;
- Receipt of credentials necessary for access to the school building, keys (if applicable), email, websites, and other materials as appropriate;
- Prevention techniques for, and recognition, of sexual harassment.
- Expectations: Read, Reflect, SmartDollar, Entreleadership Reporting (Time Tracker & Weekly Report), BMSU
- Travel Paperwork
- Ongoing Training- Entreleadership

2.7. TRAINING

The Company offers its Team members practical opportunities to upgrade their job skills and improve their opportunities for promotion. We attempt to provide appropriate training and education to prepare Team members for new jobs or to increase the skill levels in their current positions.

The Company may require additional training or skills upgrading when changes in structure, production technology, technical skills, or health and safety procedures occur. Team members have the right to refuse a recommendation for additional training and education, but each refusal will be noted in the Team members' permanent personnel file. Participating in additional training is no guarantee that Team members will be promoted or transferred to a better position, however.

The Company does not discriminate against any Team member because of race, creed, religion, national origin, age, sex, or disability in offering education or training opportunities.

3. REPORTING TO WORK

3.1. Official Youth Empowerment Services, Inc Office Hours

A normal work week consists of 40 hours worked Monday through Friday. Most Team Members work between 8:30 am and 5:30pm.

Certain jobs require Team members to be physically present at specific times during the day, as established by the supervisor. Failure to follow a supervisor's time requirements will subject Team members to discipline.

3.2. WORK HOURS — ALTERNATIVES

The Company offers various alternative work schedules for hourly Team members only. All team members must work the hours that best meet the needs of the agency. All changes in work hours are to be approved by the CEO.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT (WARN)

The Company recognizes that our Team members are our most valuable asset. Every effort will be made to offer full-time employment on a consistent basis. If a layoff or a shutdown should be necessary, we will meet all federal and state regulations concerning notification. Team members will be selected for layoff based on two factors: company need and job performance. The best performers will always be the last to go and the first to be recalled, keeping in mind our obligation to meet Company needs. The Company abides by the requirements of the Worker Adjustment and Retraining Notification Act.

3.3. ATTENDANCE

Every Team member is expected to report for work regularly and on time. Good attendance is a most important job requirement and an essential duty of every position. Failure to meet this requirement could result in separation from the payroll.

Definition of absence. A Team member is absent when he/she fails to report for and remain at work as scheduled. Lateness is a short absence at the beginning of the workday. Leaving early, even with permission, before the tour of duty ends, is also an absence. Absence, then, includes all time lost from the work schedule, whether avoidable or unavoidable, voluntary or involuntary.

Team members must clear planned absences in advance with their supervisor, allowing as much notice as they can but with a minimum of seven (7) days notice unless the absence is unforeseen thus considered an emergency. When an absence is unplanned, due to illness, an emergency, or some similar cause, Team members must report the absence to their supervisor by 7a.m. on the first day of the absence. In case of a long-distance absence of indefinite duration, they must report their status to their supervisor at least once every three working days.

Notification from another Team member or relative is not acceptable, except under emergency conditions. An "excused" absence may include personal or family illness, jury duty, bereavement, or other reasons that would require a Team member to miss all or part of a scheduled workday. Team members should be prepared to substantiate the reasons for their absences if asked. If a Team member is absent frequently, he/she will be required to furnish documentation, including medical statements from his/her doctor. Team members may also be required to produce fitness for duty certificates to return from an absence.

A physician's statement or a fitness for duty certificate may be required where absence is continuous for a period of over 3 working days and after surgery or accident, regardless of the length of absence. A medical statement may also

be requested at the discretion of the CEO when the absence is less than three (3) days.

Failing to report an absence properly can be grounds for disciplinary action, including dismissal. Excessive absences and lateness, even when reported, may also be grounds for discipline or dismissal. Unsatisfactory attendance will have an adverse effect on any promotion considerations and continued employment considerations.

4. TIME AWAY FROM WORK

4.1. Holidays

There are five paid holidays which include Thanksgiving Day, Black Friday (Friday after thanksgiving), Christmas Eve, Christmas Day, and Fourth of July. Please review the agency's calendar (CalenderWiz) to identify those days. It is the Team member's responsibility to know what days to work and what days are Holidays.

4.2. Breaks

Lunch Break:

Hourly Team members are usually permitted a 60-minute lunch period when they work an eight (8) hour day. Salaried Team members are also entitled to a 60- minute lunch period. The schedule for lunch and break periods is set by the supervisor in a manner that allows business operations to continue uninterrupted during the day. Their supervisor will advise them of the schedule for lunch and breaks in their department. In fairness to fellow workers, Team members are expected to observe the time limits set for rest and lunch periods.

Team members who eat lunch at their desks are asked to refrain from working during their meal break. The Company encourages Team members to leave their work area during this time.

Team members who return late from lunch or breaks are subject to discipline.

Although Team members may take personal breaks when approved by their supervisors, Team members should make sure that someone remains in the department at all times. Because Team members' rest breaks are considered working time, the breaks are paid. However, no Team member will receive paid breaks if they receive the 60 minute lunch break. Note: All state-specific regulations concerning breaks will be adhered to.

Breaks Nursing Mothers:

The Company believes that the breast-feeding of an infant is an important and basic act of nurture to which every baby has a right. Therefore, the Company allows and encourages nursing mothers to express breast milk for their babies in the workplace, within the context of a business environment.

The Company will provide reasonable unpaid breaks each day to a Team member who needs to express breast milk for her infant. The break time shall, if possible, run concurrently with any break times already provided to the Team member. The Company will not provide break time if to do so would unduly disrupt Company operations.

The Company will comply with all state regulations concerning breast- feeding or storage of breast milk at the workplace.

4.3. Break from Work: Paid Leave Days

Paid leave holidays and personal days.

For the 2019-2020 program year, there are 10 paid leave days and five personal paid leave days

Please review the agency's calendar (CalenderWiz) to identify those days outside of black-out dates. It is the Team member's responsibility to know what days to work and what days are Holidays. All paid leave requests require prior approval by the CEO. YES, Inc. guidance for leave days and personal days is below.

- Additional leave days cannot be linked to agency holidays.
- YES, Inc. will continue to support 15 days paid leave but note this can change at any time.
 - 5 of the days are mandatory and you will not be able to replace them:
 - Thanksgiving Day, Thursday, November 21, 2019
 - Black Friday, Friday, November 22, 2019
 - Christmas Eve, Tuesday, December 24, 2019
 - Christmas Day, Wednesday, December 25, 2019
 - Day Before Independence Day, Friday, July 3, 2020
 - 10 days are at your discretion but will need prior approval.
- Requests for leave days will be submitted on line the month prior to the new fiscal year calendar. This date will be posted and communicated each year prior to the request window.
- Agency Blackout Dates:
 - Day before & day after 5 mandatory dates
 - June 2020
 - Agency Retreat 2020 (Possibly June 29-July 1)
 - August 2020
 - September 2020 (with the exception of Labor Day)

FAMILY SICK DAYS

No Paid Family Sick Leave is granted for any reason.

SICK LEAVE

No Sick Leave is provided to any Team member by the Company. The company does not financially support team member who need to take off from work for being sick. All sick leave days off are days off without pay. Team members are able to use one or more of the paid leave days to cover the period of sickness. When a team member leaves early without impacting negatively the work environment or arrive late without impacting negatively the work environment, then no deduction in pay occurs due to illness. Team members who get sick should check in with their Team Lead to see if assistance is available.

INCLEMENT WEATHER

At YES, Inc. Inclement weather is determined by local authorities. Team members are required to pay attention to these authorities to determine if travel is risk or safety compromised.

It is Company policy to continue operations despite weather conditions unless an emergency threatens to make Team member transportation to or from work impossible or dangerous. It will be determined by local authorities.

Team members are expected to show up for work regularly and on time. Occasionally, however, weather may become a factor, and Team members should not attempt to come to work in dangerous weather conditions.

In case of severe weather, Team members must look out for their own safety. However, this doesn't mean a free day off. Unless management has closed the Company facility, Team members are expected to come to work; otherwise, the Team member needs to make up the hours and the days off. All Team members are expected to watch the local news stations to find out about closures. In very rare instances does the company close due to inclement weather.

If the Company facility opens and is forced to close early because of the weather, all Team members who reported to work will be paid for the day. Team members who made no effort to come in will not be paid. If the facility is closed prior to the start of the shift, Team members will not be paid. All Team members are urged to make every possible effort to get to work if the facility remains open.

JURY DUTY/COURT APPEARANCE

The Company does not discriminate against, penalize, threaten, or coerce Team members who are on jury duty. We will abide by all federal and state regulations regarding time off, pay, reinstatement, and notice. Team members must give advance notice of the need for time off for jury duty and present a copy of the summons should accompany the request. The Team member must notify their supervisor as soon as possible after they receive notice of jury duty. If their absence would result in a hardship to the Company, we may petition the court to excuse them from jury duty.

Although not required, YES, Inc., will pay the team member for the hours of jury duty. It is the Team member's responsibility to follow the agency's procedure to submit for the lost wages due to jury duty.

The Team member will must request paid hours. The Team member must also present/ turn-in a copy of the jury summons and proof of jury payment from the court.

If Team members are excused from duty early or are not required to be present in court, they are expected to report back to work.

4.4. FAMILY MEDICAL LEAVE ACT (FMLA)

FMLA applies to any public or private employer with 50 or more Team members, as well as to all public agencies, and public and private elementary and secondary schools, regardless of number of Team members. The Company may grant unpaid family and medical leave for the reasons specified in the federal Family and Medical Leave Act (FMLA) or according to applicable state laws on a case by case basis.

4.5. MILITARY LEAVE

The Company will grant military leaves of absence as required by law and by the needs of Team members who are members of the military service.

The duration of the leave will be the term of enlistment plus any additional time that may be required by the government. It will include a reasonable allowance of time for travel and adjustment.

Reenlistment or any other voluntary extension of the tour of duty may affect the leave of absence.

On return from military leave of absence, the Team member will be reinstated as required by law, subject to these conditions.

- The Team member must apply for reinstatement within the time required by law.
- If the Team member's former job is not available, the Company will provide a job of similar status, seniority, and pay. Adjustments and exceptions to this policy may be made as circumstances require. To be eligible for reinstatement, the Team member must have satisfactorily completed his/her military service. Generally, Team members with discharges of "other than honorable," "undesirable," or as a result of a court martial are not eligible for reinstatement. The Company makes it a policy not to discriminate in any way against Team members who are members of the military. The Team member's job will not be in jeopardy if a military leave of absence is requested or taken.

4.6. UNPAID LEAVE OF ABSENCE

Personal Leave:

Team members may find that personal, health, or family problems make it necessary to be absent from work for extended periods. Requests for leaves of absence without pay for limited periods will be considered by management, depending on the reasons and circumstances for the request.

Management retains the right to deny the requested leave of absence for any reason other than medical leave for the Team member, or a parent, spouse, or dependent child. Medical certification or a note from a state licensed physician is required before the leave begins.

Team members must submit a written request to their supervisors, explaining the reason for the request and the anticipated length of the absence. Advance notice of 10 days is required when foreseeable for a leave of absence to be granted.

Leaves of absence are not intended for Team members who are leaving their employment and do not plan to return to work at the Company.

The Company will endeavor to return Team members to the same or equal job they had prior to the leave of absence however we cannot guarantee the same job nor loss of employment status. Team members who are granted a leave of absence for any reason shall suffer no loss in net creditable service to the Company as far as vacation, retirement, and length of service awards are concerned. All health benefits coverage will continue during the leave of absence, provided the Team member plans to return to work and continues to pay the current percentage of the premium paid by working Team members.

Maternity Leave

It is our policy to treat pregnancy, childbirth, and related medical conditions according to the leave requirements outlined in the Family and Medical Leave Act of 1993 (FMLA) and the Pregnancy Discrimination Act. The Company also complies with all applicable local and state laws, in spirit as well as in specific detail.

Should any provision of this policy be found to be inconsistent with an applicable legal requirement, the law shall prevail. All other provisions of this policy that are consistent with the law will remain in effect.

Team members who are granted a leave of absence under FMLA will be entitled to all appropriate benefits, including 12 weeks of unpaid leave, continued payment of medical benefits, etc.

In order to qualify for a maternity leave, we ask that Team members make such a request in writing to their supervisors within the first three months of the pregnancy. Their personal physician's certification of their condition, plus the expected date of delivery, must be included in the written request. With the doctor's approval, Team members may continue to work up to their expected delivery date, depending upon their medical circumstances and the nature of their jobs.

In case a team member is physically unable to perform her regular job duties at any time during her pregnancy, either she or her supervisor may request that she be placed on maternity leave. The Team member must give an advance notice of a minimum of days to her supervisor of her condition, along with a statement from her physician attesting to her medical condition.

The return to active employment should be no sooner than considered medically safe by a physician. It may sometimes be necessary to consult with a team member's physician regarding any question of medical propriety that may arise.

The Company will return the Team member who meets stated conditions in conjunction with federal and state law to the same or equivalent job she had prior to her pregnancy. We cannot guarantee the exact same job; however, the Team member will suffer no loss in employment status.

To return to work, Team members must have a doctor's verification.

5. BENEFITS

Our benefits have been designed to provide economic incentives and support for our Team members in a fair and uniform manner, consistent with Company objectives. Team members must understand that benefits for which the Company either pays in full, through cost-sharing, or through subsidized rates, add to the Company's total payroll costs. Team members should understand that when the Company considers offering additional benefits, it must take into account their impact on payroll costs.

Team members may examine, without charge, all plan documents, including any insurance contracts, collective bargaining agreements, annual reports, summary plan descriptions, and other documents filed with the United States Department of Labor. They can examine copies of these documents in Personnel.

The Company will periodically review and modify, if necessary, its benefits package to make sure its Team members receive adequate benefits within financial constraints. In the event that a benefit is added or withdrawn, Team members will be informed as soon as possible.

5.1. Health, Dental, Vision- available to all Team Members

5.2. CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT

The Company adheres to all the requirements of the Consolidated Omnibus Budget Reconciliation Act (COBRA) as they apply to our Team members. Should Team members lose their health care coverage under our health care plan as the result of a qualifying event, Team members and Team members' spouses and dependent children will be given the opportunity to continue to purchase coverage as a group member for the legally-specified period of time following the loss of coverage.

Although Team members' right to elect continuation coverage occurs upon the occurrence of a qualifying event to Team members, coverage is not automatic. Team members and Team members' spouses and dependents must make an affirmative election of coverage before coverage will begin. An election form will be sent with the notice of eligibility. The election must be made within 30 calendar days of the date coverage is lost or the date that the notice of eligibility is sent, whichever is later. An election is considered to have been made on the date Team members send in the election form or a letter indicating an election is being made.

Team members are eligible for continuation coverage if terminated from employment for any reason other than for gross misconduct or if a reduction in hours results in the loss of coverage under our group health plan.

We will mail notice of the right to elect continuation coverage to the Team member and his/her qualified beneficiaries by first-class mail to his/her last known address and to the last known address of the qualified beneficiaries.

5.3. RETIREMENT PLANS: At this time, YES, INC. does not have a retirement plan for YES, Inc. team members.

5.4. ADDITIONAL BENEFITS

BEREAVEMENT

The Company recognizes that bereavement is a difficult period for a team member. Every effort will be made to ensure that the Team member is able to attend to necessary family matters without loss of earnings. All full-time Team members are eligible for bereavement leave according to the following schedule.

1. Spouse, child — Three (3) working days.

2. Parent, guardian, brother, sister, mother-in-law, father-in-law—Three (3) working days.

3. Grandchild, grandparent, brother-in-law, sister-in-law — Three (3) working days.

All time off must be taken on consecutive days. Pay for the period of absence will be computed at the regular rate of pay, based on Eight (8) hours per day. Time off for bereavement will not be credited for the purposes of computing overtime. All other time off for other family members will be leave without pay.

TEAM MEMBER ASSISTANCE PROGRAM: At this time, YES, INC does not have an TMAP program in place.

6. WAGES & EXPENSES

6.1. PAY

The Company will, in its salary administration and wage and hour policies, follow the rules and regulations set forth by federal and state labor laws.

We make every effort to track the latest laws and regulations and abide by their guidelines, including legislation that periodically raises the minimum wage, sets training rates, and increases overtime rates. If state law is more generous than the applicable federal rates, we will apply that rate to our pay practices.

In compliance with the federal Equal Pay Act, the Company pays male and female Team members equal pay for equal work based upon factors such as educational levels and credentials. Team members perform substantially the same jobs when they work in positions that require equal skill, effort, and responsibility and the jobs are performed under similar working conditions.

Team members will be paid on the 15TH & 30TH of the month . If the designated wage payment date falls on a Saturday, Sunday, or holiday, Team members will be paid on per the printed schedule.

The Company expressly prohibits any Team member from filling in, changing, or damaging any other Team member's time record. It is a violation of Company policy to change or falsify a time record. Any Team members who do so may be suspended or terminated at the discretion of the supervisor and department head. Only supervisors can correct time punch errors.

Applicable federal, state, and local income taxes, as well as federal taxes, are withheld from each paycheck. The Company reserves the right to obey all laws that pertain to payroll, including garnishments.

6.2 OVERTIME

Team members who are considered non-exempt (i.e., paid on an hourly basis) are entitled to compensation at the rate of one-and-one-half times their regular hours for hours worked in excess of 40 hours per workweek. They will not be paid compensatory time for hours for work on Saturdays, Sundays, holidays, or regular days of rest, if the 40 -hour requirement has not been met.

Team members are expected to work overtime when given sufficient notice, which is considered to be 2 hours before the end of the shift. Every effort will be made to find a replacement for a team member who has a previous commitment. However, if this is not possible, Team members will be expected to accept the overtime order. Refusal to do so will necessitate discipline, up to and including discharge.

No Team member will work overtime without direct, written authorization from his/her immediate supervisor.

ON-CALL: From time to time, YES, INC. may have a need for team members in leadership positions to be on call. It is always on a case by cases basis.

6.3. SEVERANCE PAY

The Company has established severance pay plans to provide Team members who lose their jobs due to workforce reduction, job restructuring, or re- engineering with some income protection while they are seeking other employment.

To be eligible for severance payments, a team member must be a regular full-time Team member and lose

employment involuntarily under plan qualifying conditions, including layoffs due to facility closings, changes in operations, mergers and acquisitions, etc. Benefits are not paid if the Team member resigns or is terminated for “cause” unless authorized by the CEO.

Consideration will also be given to a team member’s length of service, and alternatives to separation will be examined, including reassignment or early retirement.

Team members who are denied benefits to which they feel they are entitled may file an appeal. They will be notified, in writing, within 10 days whether their appeal has been approved or denied. The Team member will be given a copy of the ruling and all supporting documentation.

The Company reserves the right to modify or terminate its severance plan at its discretion.

6.4. DEDUCTIONS FROM WAGES

Payroll Deductions:

Our Team members have the opportunity to participate in various plans offered by the Company. Team members may elect to pay for the cost of participating in those plans by payroll deductions.

Before any deductions from Team members’ wages are made — other than those required by law, such as Social Security, income tax and state unemployment tax, or a court-ordered deduction — Team members must authorize the deduction in writing. Forms for authorizing deductions are required to be signed at the initiation of employment.

No deduction from a team member’s wages for any pay period shall cause the Team member’s wages for that period to be less than the wages required to be paid by the Company under applicable law.

Garnishment:

When Team members’ wages are garnished by a court order to repay a debt

that they have incurred, but cannot pay, the Company is legally bound to withhold the amount indicated in the garnishment order from Team members’ paychecks. Federal and state guidelines protect a certain amount of Team members’ income from being subject to such creditor garnishment.

As long as Team members’ financial concerns do not interfere with their performance on the job, the Company will merely make the deductions and payments as required and there will be no further job-related repercussions.

Although the Company encourages fiscal responsibility, the Company will not discharge any Team member because that person’s wages have been garnished once. However, if a pattern of garnishments develops, the Company reserves the right to consider discharge as a disciplinary option.

6.5. Direct Deposit

Direct deposit is YES, INC.’s required method of payment for all employees paid by YES, INC.. Direct deposit enables YES, INC. to facilitate the distribution of pay to employees in a safe, secure, and timely manner. Team members must submit to the Human Resources Department a voided check/deposit slip attached to the Direct Deposit Form. Contact your supervisor for more information about the payroll direct deposit service.

6.6. Mistake in Payroll or Expense Reimbursement

Employees are required to immediately notify their supervisor in the event of a suspected mistake in their payroll or expense reimbursement. Failure to report an overpayment in payroll or in an expense reimbursement may result in disciplinary action.

6.7. Hours Worked: Exempt Employees

All exempt employees who are compensated on a salary rather than hourly basis are paid their salary for all hours worked during the work week, regardless of the actual number of hours worked.

6.8. Hours Worked: Non-Exempt Employees

Non-exempt employees will be paid at the rate of 1.5 times their regular hourly rate of pay for all time worked in excess of 40 hours in any one work week. Overtime is never at the employee's discretion. An employee may work overtime only after receiving authorization from the employee's supervisor. Working overtime without prior authorization may result in disciplinary action.

A non-exempt employee is never permitted to work "off the clock". While all hours will be compensated appropriately, an employee's failure to report hours accurately whether too low or too high is cause for disciplinary action. Employees should immediately report to Human Resources Director any effort by a supervisor to participate, encourage, or even permit an employee to work "off the clock" in violation of this overtime provision.

6.9. Attendance Records

Employee attendance records must be kept complete and accurate. Attendance records are subject to unannounced reviews to ensure proper use. Falsification of time records is a serious offense and may lead to disciplinary action, up to and including discharge from employment.

6.10. Travel Expense Reimbursements

The agency will reimburse team members for local and out of town travel according to the YES, INC. Accounting Manual. Based on the Employee's driving record, YES INC.'s insurance may exclude you from driving company vehicles and the use of personal vehicles for company business on behalf of YES INC..

All travel requires certain accounting documentation. Purchase Orders are required for Payment Authorization Forms and Expense Reconciliation Forms.

7. TEAM MEMBER STATUS

7.1. PROBATION

The Company recognizes two separate conditions under which Team members may be placed on probation.

The first is a 90 -day probation period for new Team members. This period is established to benefit both the Team member and the Company. It is a period of adjustment and adaptation, both personally and in terms of learning the job requirements and work rules. If at any time during this period, the Team member is unable to adapt successfully to the requirements of the position, the department, or the Company as a whole, employment can be terminated immediately. The Team member's supervisor may offer advice and counseling when a problem becomes apparent, but is not required to do so. Team members may be given advance notice, but that also is not required.

The second type of probation is for inadequate performance or improper behavior at any time after the probationary period for new Team members. A team member may also be placed on probation for a designated period to correct recognized performance shortcomings that they are able and willing to correct. This period is usually called an "intervention" for teachers.

Despite any probation policy, Team members can be discharged immediately if it appears they are unable or unwilling to correct a problem, if dismissal or layoff is necessary for economic reasons, or if their continued employment would be contrary to the Company's best interest or the welfare and safety of other Team members.

7.2. SENIORITY

The Company will maintain a seniority list of all Team members who successfully complete the 90 -day orientation period. Seniority is a measure of length of Company service based upon date of hire, and it is one factor which is considered in certain employment decisions, such as promotions, layoff, or recall. Team members lose seniority upon permanent separation of employment.

If Team members disagree with their position on the seniority list, or the amount of service credited, they should file a written grievance within 10 days. Failure to do so will be considered as acceptance of the record and no later protest will be accepted.

Although the company will consider seniority in certain employment decisions, seniority doesn't automatically guarantee a senior Team member job rights or privileges.

7.3. PERFORMANCE APPRAISALS Master Policy

Team members' performance will be appraised at least every 12 months by their immediate supervisor. The formal review will consist of a written appraisal followed by a discussion of the evaluation. Informal reviews should be conducted on a continuing basis.

The appraisal's purpose is to help supervisors evaluate performance in an objective, consistent, and uniform manner. It will be based on job performance and Team member qualifications, which will be based on each position's job description and work standards.

Supervisors should establish expected performance standards for each Team member in consultation with the Team member at the beginning of the rating period. For each basic requirement, a performance goal should be established for each rating period and each Team member. To the greatest extent possible, the

standard should be written so that the success or failure can be easily determined, and the result will not depend solely on the personal judgment of the appraiser.

Team members will have the right to express disagreement with any points made, correct any inaccuracies, and make written comments concerning all aspects of the appraisal.

Team members are encouraged to use performance appraisals as an opportunity to openly discuss with their supervisors their career and personal goals and how they plan to meet them. They should also feel free to bring up any difficulties in their relationships with their supervisor in an open and constructive manner.

Salary or wage increases are directly linked to performance appraisals. The Company firmly believes that outstanding job performance deserves higher rates of pay for the position.

7.4. PROMOTION

Our Company policy on promotions encompasses the same equal employment opportunity philosophy as our hiring, discipline, and all other decision-making processes. No individual will be denied a promotion because of a personal characteristic that is not related to the effective performance of the position in question.

We will use objective, job-related criteria to make selections; apply the same standards to everyone; and won't raise or lower them for individual Team members.

Factors to be considered in promotions include education, experience in present and previous jobs, performance record, ability, work ethic, and skill.

If there are two or more Team members whose qualifications are similar, seniority will be part of the selection decision.

7.5. REHIRE

Former Team members may be considered for rehire if they meet the following conditions.

- They submit a written application.
- They meet the requirements of an open position.
- They were in good standing at the time of termination. Individuals returning from military active duty and who are entitled to reinstatement, will be reinstated to their former jobs or provided jobs of similar seniority, status, and pay. To be eligible for reinstatement to the same job, individuals must still be qualified to perform it. If they are not qualified for their former positions, then they will be allowed to attempt to qualify for a similar job. If former Team members have to acquire additional skills to perform their former jobs, they can apply for a similar job, and then have a reasonable time in which to acquire the skills needed for the former job. Former Team members should not be rehired if their past employment was not satisfactory as indicated by the recommendation of their former supervisors.

7.6. RESIGNATION

It is our policy that the employment relationship may be terminated at-will, at any time, by the Team member or the

Company. When Team members leave the Company voluntarily, they are expected to submit a letter of resignation at least 2 weeks prior to their last day of work. When giving notice, they should speak with their immediate supervisor and the CEO.

The Company reserves the right to shorten a team member's notice period and substitute a comparable salary for that period, as deemed appropriate.

All Team members are required to return keys, uniforms, Company vehicles, supplies, or any other Company property prior to separation of employment.

7.7. TERMINATION

It is our policy to retain, to the extent consistent with Company requirements, the services of all Team members who perform their duties efficiently and effectively. However, it may become necessary under certain conditions to terminate employment for the good of the Team member and/or the Company.

A supervisor or manager who feels discharge is in order will submit a recommendation for discharge to the Personnel department. The recommendation will include copies of all collected documentation. The final approval for involuntary termination must be given by the CEO and only on the assurances that all the requirements of the Company termination process have been observed and documented.

The Team member termination procedure does not represent a contract between the Company and its Team members. Instead, it describes the Company's philosophy on termination decisions. Each termination will be judged on its own merits.

Termination at-will means that the Company and its Team members recognize that their employment relationship can be terminated, with or without cause, at any time, either at the Company's or the Team members' option. No manager or representative of the Company has any authority to enter into any agreement with anyone else for employment for any specific period of time or to make any arrangement contrary to the foregoing.

Team members who decide to leave the Company through resignation are expected to give at least weeks' notice and more if possible. Failure to give proper notice will become part of the employment record and will be noted in any reference requests.

7.8. UNEMPLOYMENT COMPENSATION

Team members who lose their jobs because of business conditions are eligible to collect unemployment insurance (UI) until they are recalled or find other employment. This insurance is financed almost exclusively by Company taxes that are paid to the state.

If Team members quit without good cause or are discharged for gross misconduct or refusing an offer of suitable work, they are not eligible to collect unemployment insurance. The Company will appear at any state hearings to dispute Team members' eligibility under those conditions. Managers should maintain appropriate documentation in termination situations in case the Company decides to dispute UI claims.

To qualify for continuing benefits, Team members must be available and able to work. Team members who worked for a minimum period, or part-timers, may not be eligible to collect unemployment benefits.

8. NON-DISCRIMINATION & ANTI-HARASSMENT

8.1. DISCRIMINATION

This Company does not engage in any unlawful employment discrimination, which we define to be:

- to fail or refuse to hire, or to discharge, any individual, or to discriminate against any individual with respect to compensation, terms, conditions, or privileges of employment, because of such individual's race, color, religion, sex, sexual orientation, disability, age, or national origin; or
- to limit, segregate, or classify Team members or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his/her status as a team member, because of such individual's race, color, religion, sex, disability, age, or national origin. The Company does not base hiring, compensation, promotion, or any other employment decisions on the basis of an individual's personal characteristics. All such decisions are based on specific job-related performance standards, many of which can be measured objectively, such as production records or attendance. The Company will not tolerate discriminatory slurs or epithets in the workplace and is committed to maintaining a bias-free working atmosphere. Jokes or slurs made in the presence of a minority Team member are considered to be a violation of our discrimination policy. Team members who are subjected to any discriminatory practices are urged to report them to their supervisors or to Personnel. Team members who are found guilty of discrimination will be subject to discipline, up to and including discharge.

RELIGIOUS DISCRIMINATION

It is against Company policy to discriminate against any person based on religious beliefs or practices. It is our policy not to ask Team members about their religious convictions or practices. When an offer of employment is extended, applicants will be informed of the regular schedule and potential for overtime work in the job, and potential conflicts will be explored.

It is our policy to accommodate the religious beliefs of our Team members whenever possible. The accommodation, however, cannot exert undue hardship on other Team members or create a financial burden for the Company. If the accommodation is not possible, the Team member will be expected to assume his/her usual duties as previously scheduled. No Team member will be allowed to wear any religious clothing or headpiece in violation of safety rules or business dress codes.

Both the Company and Team members have obligations with regard to reasonable accommodation for religious beliefs. Team members are required to bring any conflict between a work requirement and the Team members' religious beliefs or practices to the employer's attention.

No Company Team members, especially in a supervisory capacity, are allowed to impose their religious beliefs on others. Religious harassment, too, is strictly prohibited. All violations may be subject to discipline, up to and including discharge.

SEXUAL ORIENTATION DISCRIMINATION

It is the Company's policy that all Team members have a right to work in an environment free of discrimination, which includes freedom from harassment — whether the harassment is based on sex, age, race, national origin, religion,

sexual orientation, marital status, or membership in other protected groups. The Company prohibits harassment of its Team members in any form — by supervisors, co-workers, customers, or suppliers.

"Sexual orientation" is defined as having a preference for heterosexuality, homosexuality, or bisexuality; having a history of any one or more of these preferences; or being identified with any one or more of these preferences. A team member's sexual orientation is a personal characteristic that is not relevant to job performance and should not be considered when making employment decisions.

Harassing conduct in the workplace, whether physical or verbal, committed by supervisors or others, is prohibited. This includes: slurs, jokes, or degrading comments concerning sex, age, race, national origin, religion, sexual orientation, marital status, or membership in other protected groups; repeated offensive sexual flirtation, advances, or propositions; continual or repeated abuse of a sexual nature; graphic verbal comments about an individual's body; and the display in the workplace of sexually suggestive objects or pictures.

The Company takes the position that a person's sexual orientation is an individual decision and no Team member will be discriminated against for exercising this right. Under no circumstances should Team members' sexual orientation interfere with their job performance or resulting appraisals.

Team members who ridicule or physically abuse co-workers because of sexual orientation will be subject to discipline, up to and including discharge.

Information obtained during the course of an investigation of harassment will be maintained in confidence. It will be released only to individuals who have a need to know it, e.g., individuals who will enable the Company to investigate the charges thoroughly. Individuals who make false statements during the course of an investigation may be subject to discipline, which may include discharge.

All Team members are expected to cooperate fully with such investigations. Failure to cooperate fully may lead to discipline, up to and including discharge. Where investigations confirm the allegations of sexual orientation harassment, appropriate corrective action will be taken.

The Company recognizes that sexual harassment can exist where the harasser and the harassed are of the same gender. Therefore, the Company prohibits harassing conduct in the workplace, regardless of the gender of the accuser and the accused.

Team members who feel they are being harassed because of their sexual preference should use existing grievance procedures. Specifically, any Team member who believes he/she has been discriminated against or harassed on the basis of his/her sexual orientation should contact his/her supervisor. Team members may bypass their immediate supervisor and file a complaint directly with Personnel or any other officer of the Company.

AGE

The Company does not discriminate against any individual on the basis of age. Age-based criteria will not be used in making personnel decisions regarding layoffs, selection, promotion, or any other right or consideration of employment.

The Company does reserve the right, however, to base its business decisions on factors other than age, including seniority, performance, job worth, team contributions, and those other factors outlined in our job descriptions.

The Company will not tolerate any kind of age harassment, whether verbal, physical, psychological, or otherwise. Both managers and Team members must refrain from speaking or acting in a way that would offend a senior Team member because of his/her age. Appropriate discipline, up to and including discharge, will be the result of any proven cases of

age harassment.

NATIONAL ORIGIN

It is our policy to make employment, benefits, promotion, and working conditions available to all U.S. citizen workers and non-citizens who are legally permitted to work in the United States, without discrimination on the basis of nationality.

We do not discriminate on the basis of native language, and regard the ability to communicate in several languages as an important asset for Team members.

Ethnic slurs and other verbal or physical conduct relating to an individual's national origin constitute harassment when this conduct:

- has the purpose or effect of creating an intimidating, hostile, or offensive work environment;
- has the purpose or effect of unreasonably interfering with an individual's work performance; or
- otherwise adversely affects an individual's employment opportunities. This Company adheres to the policy of not allowing any applicant or Team member to be discriminated against or harassed because of national origin. The Equal Employment Opportunity Commission (EEOC) defines national origin discrimination broadly as including, but not limited to, the denial of equal opportunity because of an individual's, or his/her ancestor's, place of origin; or because an individual has the physical, cultural, or linguistic characteristics of a national origin group.

8.2. REASONABLE ACCOMMODATION

AMERICANS WITH DISABILITIES ACT

It is the policy of this Company to abide by both the letter and spirit of the law in all aspects of the Americans with Disabilities Act (ADA). The Act prohibits discrimination in all employment practices, including job application procedures, hiring, firing, advancement, compensation, training, and other terms, conditions, and privileges of employment. It applies to recruitment, advertising, tenure, layoff, leave, fringe benefits, and all other employment-related activities.

The Company prohibits all discrimination against "qualified individuals with disabilities." This includes applicants for employment and current Team members. We also forbid discrimination against persons because they have a known association or relationship with an individual with a disability.

We consider a qualified individual with a disability as a person who meets legitimate skill, experience, education, or other requirements of an employment position that he/she holds or seeks.

The Company requires the ability to perform "essential" functions to assure that an individual with a disability will not be considered unqualified simply because of inability to perform marginal or incidental job functions. If the individual is qualified to perform essential job functions, except for limits caused by a disability, we will consider whether the individual could perform these functions with a reasonable accommodation.

The Company does consider mitigating measures when determining whether or not an individual is disabled under the

ADA. In other words, the existence of an impairment does not necessarily equate to a disability. The impairment must be substantially limiting, and a mitigated impairment is not substantially limiting. Conversely, use of a mitigating measure does not automatically bar an individual from ADA protection. An individual may still be substantially limited despite the mitigating measure, or the individual may be regarded as being substantially limited.

The Company will not ask or require a job applicant to take a medical examination before making a job offer. Except under lawful circumstances, we will not make any pre-employment inquiry about a disability or the nature or severity of a disability. But we may ask questions about the ability to perform specific job functions and may, with certain limitations, ask an individual with a disability to describe or demonstrate how he/she would perform these functions.

We also retain the right to conduct Team member medical examinations where there is evidence of a job performance or safety problems, as required by other federal laws, to determine current "fitness" to perform a particular job, and on a voluntary basis as part of Team member health programs.

Information from all medical examinations and inquiries will be kept apart from general personnel files as a separate, confidential medical record, available only under limited conditions.

Tests for illegal use of drugs are not medical examinations under the ADA and are not subject to restrictions of such examinations. We reserve the right to conduct them according to Company policy and current federal, state, and local laws.

If a team member feels that he/she has been subjected to discrimination based on a disability by this Company, a vendor, a customer, etc., the Team member may file a complaint with the Personnel department.

Our established attendance and leave policies will be uniformly applied to all Team members, regardless of disability. We will not refuse leave needed by a team member with a disability if other Team members get such leave. We may also make adjustments in leave policies as a reasonable accommodation, and all our leave policies will integrate with the Family and Medical Leave Act.

This Company is dedicated to protecting the rights provided to individuals with disabilities by the ADA. Accordingly, no one in a position of responsibility will retaliate against anyone who asserts the rights provided by the ADA or any state human rights laws. And all disability bias claims will be judged on a case-by-case basis.

DISABILITIES

The Company will provide reasonable accommodation to enable qualified applicants to perform the essential functions of the job that he/she is seeking, and to enable a qualified Team member with a disability to perform the essential functions of a job currently held.

Modifications or adjustments may be required in the work environment, in the manner or circumstances in which the job is customarily performed, or in employment policies. Our goal is to allow a team member with a disability to enjoy the benefits and privileges of employment, equal to those enjoyed by similarly-situated Team members without disabilities.

As examples of reasonable accommodation, we will consider: making existing facilities used by Team members readily accessible to and usable by an individual with a disability; restructuring a job; modifying work schedules; acquiring or modifying equipment; providing qualified readers or interpreters; and appropriately modifying examinations, training, or other programs.

Reasonable accommodation may also include reassigning a current Team member to a vacant position for which the

individual is qualified, if the person is unable to do the original job because of a disability even with an accommodation. However, we are under no obligation to find a position for an applicant who is not qualified for the position sought. We are not required to lower quality or quantity standards as an accommodation, nor are we obligated to provide personal use items, such as glasses or hearing aids.

We will not be able to make an accommodation that would impose an undue hardship on the operation of the business. The Americans with Disabilities Act defines an undue hardship as an action that requires significant difficulty or expense. Each accommodation request will be handled on a case-by-case basis, and every effort will be made to comply with the Act.

As prescribed by the Equal Employment Opportunity Commission (EEOC), the Company will enter into an interactive process with the individual with a disability to clarify what the individual needs and identify the appropriate reasonable accommodation.

RELIGION

It is the policy of this Company to accommodate the religious beliefs of its Team members whenever possible. The accommodation, however, cannot exert undue hardship on other Team members or create a financial burden for this Company.

If the accommodation is not possible, the Team member will be expected to assume his/her usual duties as previously scheduled. No Team member will be allowed to wear any religious costume or headpiece in violation of safety rules.

AIDS

The Company treats AIDS and HIV infection as disabilities in accordance with our policy on Equal Employment Opportunity (EEO) and the requirements of the Americans with Disabilities Act of 1990 (ADA) and the Rehabilitation Act of 1973.

The Company recognizes that asymptomatic HIV can be a protected disability under the ADA, as long as a team member meets the ADA requirement of having a substantially-limited major life activity. Team members who meet this criterion are entitled to the same protections under the ADA as all other individuals with disabilities.

If it is deemed medically necessary, based upon current physical impairment, the Company and the Team member's supervisors will work to bring about any reasonable job modification or job transfer of the Team member who has been diagnosed with AIDS or HIV infection to enable that individual to meet established performance criteria.

A team member with AIDS or HIV infection is expected to meet the same performance requirements applicable to other Team members with disabilities. Managers will make reasonable accommodations, as with any other Team member with a disability, to enable the Team member to meet established performance criteria. Reasonable accommodations may include, but are not limited to, flexible or part-time work schedules, leaves of absence, work restructuring, or job reassignment.

A team member's health condition is private and confidential. Team members with AIDS or HIV infection are under no obligation to disclose their condition to their managers or any other Team member of the Company, unless they desire accommodation. Managers are expected to take careful precautions to protect the confidentiality of information regarding any Team member's health condition, including a team member with AIDS or HIV infection.

We do not require HIV screening as part of pre-employment or general workplace physical examinations.

MENTAL/PSYCHOLOGICAL DISABILITIES

It is the policy of this Company to fully enforce both the letter and spirit of the Americans with Disabilities Act (ADA) with respect to individuals with disabilities, including mental/psychological disabilities. The Act prohibits discrimination based on psychiatric disabilities in all employment practices, including job application procedures, hiring, firing, advancement, compensation, training, and other terms, conditions, and privileges of employment.

The Company will keep all information concerning the medical condition or history of its applicants and Team members, including information about psychiatric disabilities, confidential under the ADA. This includes medical information that an individual voluntarily discloses to the Company. We will collect and maintain such information on separate forms and in separate medical files, apart from the usual personnel files.

The Company will make every effort to provide reasonable accommodation to the known physical or mental limitations of a qualified individual with a disability unless it can show that the accommodation would impose an undue hardship.

Team members who decide to request reasonable accommodation must let the Company know that they need an adjustment or change at work for a reason related to a medical condition. To request accommodation, an individual need not mention the ADA or use the phrase "reasonable accommodation."

The Company may ask a team member for documentation when the Team member requests reasonable accommodation for the job. When the need for accommodation is not obvious, the Company may ask any Team member for reasonable documentation about his/her disability and functional limitations. The Company is entitled to know that the Team member has a covered disability for which he/she needs a reasonable accommodation. A variety of health professionals may provide such documentation with regard to psychiatric disabilities.

The Company retains the right to discipline an individual with a disability for violating a workplace conduct standard, even if the misconduct results from a disability, providing the conduct standard is job-related for the position in question and is consistent with business necessity. The Company may only discipline a team member with a disability for engaging in such misconduct if it would impose the same discipline on a team member without a disability.

8.3. HARASSMENT

HARASSMENT

The Company prohibits all forms of illegal harassment of Team members by managers, fellow Team members, Team members of outside vendors, or visitors.

The Company will not tolerate harassment of its Team members. Any form of harassment related to a team member's race, color, sex, sexual orientation, religion, national origin, age, physical or mental disability, or marital or veteran status is a violation of this policy and will be treated as a disciplinary matter.

For these purposes, the term "harassment" includes, but is not necessarily limited to, slurs, jokes, or other verbal, graphic, or physical conduct relating to an individual's race, color, sex, religion, national origin, sexual orientation, age, physical or mental disability, or marital or veteran status.

Harassment also includes unwelcome sexual advances, requests for sexual favors, and other verbal, graphic, or physical conduct of a sexual nature. Harassment does not refer to occasional comments of a socially unacceptable nature. Harassment is a form of inappropriate conduct that undermines the employment relationship. Violation of this policy by a team member shall subject him/her to disciplinary action, up to and including discharge.

We also prohibit retaliation against any Team member who rejects, protests, or complains about harassment.

SEXUAL HARASSMENT

It is the policy of this Company to ensure a work environment free of sexual harassment. In accordance with that philosophy, unwelcome sexual advances; requests for sexual favors; sexual demands; or other verbal, physical, or visual conduct of a sexual nature will constitute sexual harassment when:

- submission to the conduct is either an explicit or implicit term or condition of employment;
- submission to or rejection of the conduct is used as a basis for an employment decision affecting the person rejecting or submitting to the conduct;
- the conduct has the purpose or effect of unreasonably interfering with an affected person's work performance, or creating an intimidating, hostile, or offensive work environment;
- In third-party situations, one individual is offended by the sexual interaction, conduct, or communications between others.

The Company bases its determinations relative to employment, training, compensation, and promotions on job-related qualifications in compliance with Equal Employment Opportunity Commission laws and regulations, which prohibit discrimination based on sex. Federal and state laws make sexual harassment unlawful. Just as we do not tolerate violations of other laws in our workplace, we do not tolerate violations of the laws prohibiting sexual harassment.

The Company will exercise reasonable care to prevent or correct any sexually harassing behavior by launching prompt and thorough investigations, and enforcing appropriate disciplinary actions. In order to prevent and remedy sexual harassment in the workplace as quickly as possible, Team members are encouraged to take full advantage of the Company's preventive and corrective opportunities.

Team members who experience or witness sexual harassment in the workplace must report it immediately to their supervisor and/or the CEO. If that is the person who is harassing the Team member, the Team member may approach any other member of the Company's management. All allegations of sexual harassment will be investigated. To the extent possible, the Team member's confidentiality and that of any witness and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, the Team member will be informed of the outcome of that investigation.

The Company will permit no employment-based retaliation against anyone who brings a complaint of sexual harassment or who speaks as a witness in the investigation of a complaint of sexual harassment.

Once the investigation is complete and the Company determines that harassment has occurred, it will take immediate and appropriate corrective action to discipline the harasser and prevent sexually harassing conduct from occurring in the future.

8.4. EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of this Company that an individual's race, color, religion, sex, disability, age, sexual orientation, or national origin are not and will not be considered in any personnel or management decisions. We affirm our commitment to these fundamental policies.

All recruiting, hiring, training, and promoting for all job classifications is done without regard to race, color, religion, sex,

disability, sexual orientation, national origin, or age. All decisions on employment are made to abide by the principle of equal employment.

All promotion decisions will continue to be made in accordance with equal employment opportunity principles and only valid job requirements will be used.

All other personnel actions such as compensation, benefits, transfers, layoffs, and return from layoffs, will be administered without regard to race, color, religion, sex, age, disability, or national origin, except when there is a bona fide occupational qualification.

The Company also prohibits any harassment based on race, color, religion, age, sex, sexual orientation, national origin, or disability. Harassment is verbal or physical conduct that shows hostility toward an individual because of these protected characteristics, and that has the purpose or effect of creating an intimidating, hostile, or offensive working environment as defined by law; has the purpose or effect of unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities.

Any Team member of this Company, whether supervisory or non-supervisory, who practices discrimination or harassment will be subject to disciplinary action. If a team member believe that an incident has occurred that is offensive or objectionable, causes discomfort or humiliation, creates a hostile environment, or interferes with job performance or advancement opportunities, they are urged to bring the matter promptly to the attention of any supervisor or manager, or the Personnel department. No Team member will be subjected to any form of discipline or retaliation for reporting incidents of unlawful discrimination or harassment.

9. EMPLOYMENT STANDARDS

9.1. Behavior at Work

We take the view that courtesy begins at work. If Team members, supervisors, and managers treat each other with respect and consideration, they will treat those outside the organization in a proper manner.

Team members must conduct themselves so that the safety of both themselves and their fellow workers is preserved.

The possession, distribution, sale, or use of alcohol or illegal drugs while on Company property, while on duty, or while operating a Company-owned vehicle is strictly prohibited.

Insubordination, including improper conduct toward a supervisor or refusal to perform tasks assigned by a supervisor in the appropriate manner is considered inappropriate workplace conduct.

Theft or unauthorized removal or possession of property from the Company, fellow Team members, or customers is strictly prohibited.

Team members are prohibited from misusing, destroying, or damaging Company property.

Team members who bring on Company property dangerous or unauthorized materials, such as explosives, firearms, or other similar items will be subject to disciplinary action, up to and including termination.

Fighting will not be tolerated on Company premises.

9.2. Expected Team Member Conduct

The Company prides itself on high standards of excellence, and expects its Team members to uphold these ideals when dealing with individuals both internally and externally. The following code of conduct is intended to provide guidelines for the professional, ethical, and legal behavior the Company expects of our Team members.

Team members should strive to conduct all business with integrity. Team members should deal fairly and honestly with customers, vendors, suppliers, and any others with whom the Company does business. No Team member should knowingly permit any business transaction to occur that is not fair to the Company and customers alike.

Accurate Accounting

Team members are prohibited from setting up or maintaining any unrecorded fund, reserve, asset, or special account for any purpose. No false entries shall be made in Company books, records, or accounts; and no payment or transfer of funds or assets shall be made for any purpose other than that specifically authorized by the Company.

Team members are responsible for accurate and timely record-keeping for all company assets, revenues, and expenses. Compliance with accepted accounting rules and controls is required. All books, records, and documents must accurately and completely describe the transactions they represent.

Accepting Bribes

The Company does not permit or condone bribes, kickbacks, or any other illegal or improper payments, transfers, or receipts. This prohibition applies both to the giving and the receiving of payments.

No Team member shall offer, give, or transfer any money or anything else of value for the purpose of obtaining or

retaining business; receiving any kind of favored treatment; or inducing or assisting such Team member to violate Company policies or the law.

Fees, commissions, and expenses paid to outside agents must be based upon proper billings, accurate record-keeping, and reasonable standards for services rendered.

Reporting Violations

All Team members who suspect violations of the Company's code of conduct are required to report their concerns to their supervisor and/or the CEO. All allegations of improper or illegal behavior will be investigated promptly, thoroughly, and confidentially. No adverse action shall be taken against any Team member for communicating concerns in good faith.

9.3. Additional Team Member Expectations and Standards

ACCIDENTS

It is the Company's goal to provide safe working conditions for all Team members and to minimize injury or illness, property loss, or business interruption caused by accidents.

The Company will provide complete instructions covering safe working conditions and will make available equipment, if required or necessary, to protect Team members from the risk of accidents.

In turn, the Company expects Team members will give their best efforts to prevent accidents. Team members are expected to observe applicable safety requirements, to use safety equipment provided, if required or deemed necessary, to implement appropriate safety practices at all times, and to immediately report any unsafe working conditions or accidents to their supervisor.

Every Team member must report every accident by completing the requisite forms. Every supervisor must report every accident, no matter how minor the resulting injury is, to the CEO. The supervisors and the CEO must work together to investigate reported accidents and take corrective action as necessary to prevent the accident from recurring.

ALCOHOL

The possession, use, or sale of alcohol on Company premises or while on Company business is prohibited and will constitute grounds for termination. Company property includes all facilities, offices, buildings, equipment, automobiles, trucks, vehicles, and parking areas, whether owned, leased, used, or under the control of the Company.

Any Team member under the influence of alcohol which impairs judgment, performance, or behavior while on Company premises or while on Company business will be subject to discipline, up to and including termination. "Under the influence" means being unable to perform work in a safe and productive manner, or being in a physical or mental condition that creates a risk to the safety and well-being of the individual, other Team members, the public, or Company property.

The Company reserves the right to require any Team member suspected of alcohol abuse to undergo testing, in accordance with state or industry regulations. Also, the Company reserves the right to require Team members returning from rehabilitation for alcoholism to submit to periodic testing as a condition of his/her continued employment. Team members who refuse to be tested will be subject to discipline, up to and including termination.

The Company reserves the right to conduct searches and inspections of Team members and their personal property

and effects, including vehicles and lockers, for the purpose of determining if this policy is being violated. All Team members are expected to cooperate with inspections and failure to do so will result in discipline, up to and including termination.

The Company may take into custody any alcohol found on company premises and use it as evidence in disciplinary proceedings.

Any Team member who is involved in an on-the-job accident that results in injury or property damage in excess of \$500.00 must undergo an immediate test. Refusal to agree to a test under those conditions may constitute grounds for termination.

Any use of alcohol at Company-approved meetings, or in an appropriate social setting, is strictly prohibited by this policy. Team members are expected to behave responsibly at all Company-sponsored events.

The Company accepts no responsibility for any alcohol consumption at informal Team member events, such as sports banquets, bachelor parties, bridal showers, etc. No Team member has the right to designate any informal event as Company-sponsored. No notices of such events may be placed on bulletin boards without specific management approval. Team members who do so will be considered to be in violation of our alcohol policy and will be subject to discipline, up to and including discharge.

AUTOMOBILES

The Company assumes no responsibility for damage to vehicles or theft of articles from vehicles while on Company workplace premises. All vehicles parked on Company workplace premises are subject to random searches when there is reasonable suspicion of wrongdoing.

Any time a person uses a personal car on Company business (which does not include commuting to and from work) with his/her supervisor's permission, he/she may be reimbursed at the rate of \$.54 cents per mile, plus out-of-pocket expenses for tolls and parking if receipts are presented.

The Company prohibits Team members from using company-issued cellular phones while their vehicles are in motion. Team members may only use cellular phones while their vehicles are stopped or in case of an emergency. Workers who need to use a cell phone are encouraged to park in a safe, legal space — not at the side of the road.

BULLETIN BOARDS AND IN-BOXES

It is Company policy to use bulletin boards and in-boxes as supplementary forms of communication, providing quick dissemination of information to all Team members. Company notices that affect Team members will be posted on Company bulletin boards or put inside in-boxes (Team member mailboxes). The use of bulletin boards will generally be confined to notices regarding Company information or activities.

As circumstances necessitate, the Company will post new work rules, changes to existing work rules, safety procedures, work schedules, and related subjects on Company bulletin boards throughout the facility. Team members are encouraged to check the bulletin board and/or in-boxes everyday to keep

informed of Company announcements and information.

All notices other than those posted by the Company must be submitted to the supervisor of the department for approval by the CEO before posting to any bulletin board. The CEO will make periodic audits of every bulletin board.

CONTINGENT WORKFORCE

The Company hires contingent workers to provide coverage during vacations, family or medical leave, and team member vacancies, and to help out during busy times. Contingent workers are Team members whose full-time or part-time services are typically needed for only a limited duration (fewer than 90 days in most cases).

The Company will follow the guidelines issued by the Equal Employment Opportunity Commission relating to contingent workers who are hired and paid by a temporary employment agency or a contract firm. The guidelines require a temporary help agency or a contract firm to hire contingent workers and make job assignments in a non-discriminatory manner. They also require that the Company not discriminate against contingent workers on the basis of race, color, religion, sex, national origin, age, or disability.

CUSTOMER RELATIONS

The Company's goal is to provide outstanding customer service. Customers deserve the most courteous and attentive treatment. Therefore, Team members who deal directly with customers are expected to be professional and responsive to the needs of customers at all times.

As representatives of the Company, Team members must be prepared to handle difficult customers and respond to customer complaints. The Company believes that every customer who registers a complaint deserves to be given prompt consideration. If repeated complaints are made concerning the same problem, you should report it immediately, regardless of whether you normally handle such complaints.

Team members who routinely interact with customers will be expected to know as much as possible about our products and services. Guidelines can be provided to assist Team members in most situations, but there will be occasions when Team members must rely on their best judgment. Our goal is to satisfy the customer. If repeated complaints are made concerning the same problem, Team members should report it to management immediately, regardless of whether they normally handle complaints.

CONFIDENTIAL INFORMATION

Team members who have access to records and other personal information about customers and other Team members, including proprietary information, financial data, trade secrets, and intellectual property to which the Company holds rights, must not discuss this information with anyone else without proper authority.

Any information that would damage our business if it became public knowledge or was disclosed to a competitor is considered a trade secret. This includes, but is not limited to, information on the engineering, manufacturing, sales, or financial aspects of our business.

No Team member should discuss proprietary information with other Company Team members in any public place where it is possible they could be overheard. Team members who have regular access to proprietary information may be asked to sign an agreement not to disclose the information to any outside party.

Any Team member who violates our confidential information policy is subject to discipline, up to and including discharge.

Team members must understand that it is not only their duty to protect the Company's trade secrets, but a legal obligation that remains in effect even after a team member has left the Company. The Company is ready, willing, and able to enforce this obligation by court action if necessary.

CONFLICT OF INTEREST

We expect that all Team members will avoid activities that create a conflict of interest with their responsibilities to this Company. The Company also expects that its Team members will observe the highest moral and ethical standards in any dealings in which they represent this Company.

A conflict of interest is not easy to define. Various circumstances and relationships cited in Company material might all constitute a conflict of interest or violate the Company's ethical standards. In general, they represent situations in which a team member's activities could conflict with the Team member's responsibilities to the Company or to others with whom it does business.

This Company recognizes and respects each Team member's right to privacy and to engage in personal activities outside the scope of his/her employment. Each Team member also has an obligation, however, to refrain from activities that conflict or interfere with the Company's operations.

The Company reserves the right to determine when an activity conflicts with the Company's interests and to take whatever action is necessary to resolve the conflict. If necessary, this action can include terminating the Team member.

Team members who are aware of conflict of interest violations are obligated to report them to management immediately. Those who fail to do so will be subject to discipline. It is not necessary for a team member to observe the normal chain-of-command procedures when reporting a conflict of interest. Confidentiality of all Team members reporting conflicts of interest will be protected.

COMPUTER SYSTEMS AND EQUIPMENT

Computer systems and equipment, including laptop computers, printers, networks, software, electronic mail, and Internet access, are provided for business-related use only. It is the responsibility of all Team members to see that these information systems are used in an efficient, ethical, and lawful manner.

A team member's occasional use of Company computers for personal use, e.g., educational or charitable activities, is acceptable. However, in order to keep these uses to a reasonable level, approval to use the system in such a manner must be given by the Team member's supervisor. The use of the system for personal use must occur outside of business hours, and any files created must be deleted at the completion of the project.

Team members are responsible for protecting their own passwords. Sharing user identifications, passwords, and access codes is discouraged. Team members may be held responsible for misuse that occurs through such unauthorized access.

In order to provide the Company with access to all computer information and data, no Team member is permitted to use encryption devices on a Company computer without express written authorization. Any Team members authorized to use encryption coding devices and other security protecting devices must provide the applicable keys and codes in a sealed envelope to their immediate supervisors and/or the CEO.

Introducing or using software designed to destroy or corrupt the Company's computer system with viruses or cause other harmful effects is prohibited. Team members are required to use the Company-provided anti-virus software.

Fraudulent, harassing, threatening, discriminatory, sexually explicit, or obscene messages and/or materials are not to be transmitted, printed, or stored on the Company computer system. Chain letters, solicitations, and other forms of mass mailings via Company computer equipment are prohibited.

All information stored in the Company computer system is to be treated as confidential, proprietary information. Only

certain information printed out for public correspondence or the like may be considered non-proprietary or non-confidential.

To ensure that the use of computer systems and equipment is consistent with the Company's legitimate business interests, authorized representatives of the Company may monitor the use of such equipment from time to time.

DISHONESTY

The Company recognizes the importance of credibility, integrity, and trustworthiness to our success as a business. Therefore, we are committed to the principles of honesty and truthfulness. The Company will not communicate any information that is deliberately false or deliberately misleading, and expects the same from its Team members.

The following acts are strictly prohibited: acts of dishonesty, fraud, and theft, as well as falsifying employment applications, time cards, personnel information, or other Company documents or records. Note: This list is not intended to be all-inclusive or comprehensive.

Depending on the nature, seriousness, and severity of the dishonest act, a team member who violates this policy is subject to immediate termination.

DRESS CODE

Dress Code is casual to business casual on a daily basis. Professional dress is considered to be shirts and ties for gentleman and matching tops and bottoms (suits) with appropriate professional footwear. It is expected that all Team members will exercise good judgment and dress appropriately for their jobs when dressed professionally. These are the factors that they should take into consideration when determining appropriate dress:

- the nature of their work;
- safety considerations, such as necessary precautions when working near machinery or hazardous work areas (Team members will be required to wear proper safety equipment at all times, without exception for any reason);
- the nature of their public contact, if any, and the normal expectations of outside parties with whom they will work;
- the prevailing dress practices of other workers in similar jobs. When a team member's dress does not comply with established standards, the normal response should be to discuss the matter with the Team member. If continued counseling fails to bring the desired response, the supervisor may initiate disciplinary action.
Department supervisors and managers are responsible for monitoring and enforcing the dress code policy. If a team member's attire is questionable, the supervisor/manager will hold a private discussion with the Team member regarding the inappropriateness of the attire (out of uniform). If a deliberate policy violation occurs, the Team member could be sent home, written up with a disciplinary note, receive instructions and counseling or be sent to the CEO for appropriate consequence or the Team member could be sent home immediately, instructed to return dressed in more appropriate clothing, and placed on authorized leave without pay for the period absent from work, depending on their exempt/non-exempt status.

DRUG TESTING

Drug abuse is a serious threat to both the Company and its Team members. To ensure a safe and healthy working environment, the Company has adopted the following drug testing policies, subject to state-specific regulations in various Company locations. Job applicants could be required to undergo drug testing after a conditional offer of employment has been made. Any positive test results will be considered in initial employment decisions and continuation employment and could result in a decision that the applicant is medically unqualified for employment.

Current Team members will be subject to testing if the Company obtains evidence or has reasonable suspicion that drugs are being used. If there is reason to believe that a team member is working under the influence of drugs, he/she will be required to undergo immediate testing. Reasonable suspicion includes:

- the Team member appears confused or exhibits erratic behavior;
- the Team member has difficulty getting along with other Team members;
- the Team member exhibits paranoia, slurred speech, or irrational behavior;

the Team member has had a single, or a series of, safety-related incidents that raise questions about his/her physical and emotional state. Team members who refuse testing when reasonable suspicion is present will be subject to discipline, up to and including termination. Any drug and/or alcohol testing required or requested by the Company will be conducted by a laboratory licensed by the state. The Team member may obtain the name and location of the laboratory that will analyze the Team member's test sample. If a team member is asked to submit to a drug or alcohol test, the Company will notify the Team member of the results within 48 after it receives them from the laboratory. To preserve the confidentiality we strive to maintain, the Team member will be notified by phone whether the test was negative or confirmed positive, and if confirmed positive, what the next step is. If the Team member receives notice that the test results were confirmed positive, the Team member will be given the opportunity to explain the positive result. In addition, the Team member may have the same sample retested at a laboratory of the Team member's choice. The Company will pay the cost of any drug and alcohol testing that it requires or requests Team members or applicants to submit to, including retesting of confirmed positive results. Any additional tests that the Team member requests will be paid for by the Team member. Team members are responsible for reporting the use of prescribed drugs that may affect the Team member's judgment, performance, or behavior. Over-the-counter drugs that can result in drowsiness are prohibited during working hours. Team members who are treating colds and flu with non-prescription medicine are urged to ask their pharmacists for alternatives that do not cause drowsiness. The Company's drug policy is intended to comply with all state laws governing drug and alcohol testing, and is designed to safeguard Team member privacy rights to the fullest extent of the law.

ELECTRONIC COMMUNICATIONS

All electronic and telephonic communication systems (including e-mail, voice mail, etc.), and all communication and information transmitted by, received from, or stored in Company systems, are the property of this Company and are to be used solely for job-related purposes.

The use of any software and business equipment (including but not limited to facsimiles, telecopiers, computers, and copy machines) for private purposes is strictly forbidden, unless expressly permitted by a designated manager.

To prevent spreading viruses, violating licensing agreements, etc., Team members are prohibited from installing any software, including computer games, on Company-owned computers without management's consent.

Team members are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized Company representative. All pass codes are property of this Company. No Team member may use a pass code that has not been issued to that Team member or that is unknown to Company management. Team members who violate this policy are subject to disciplinary action, up to and including discharge.

Assigned personal passwords should not be given out to anyone. Passwords are changed quarterly in order to maintain security. We monitor messages randomly to determine whether any outsiders are using the system or whether any violations of Company policy have occurred. Team members who violate the Company's policies are subject to discipline, up to and including discharge.

To ensure that the use of electronic and telephonic communication systems and business equipment is consistent with the Company's legitimate business interests, authorized representatives of the Company may monitor the use of such equipment from time to time.

Foul, inappropriate, or offensive messages — such as racial, sexual, or religious slurs — are prohibited in voice mail. Defamatory remarks about competitors are also forbidden. Violation of this policy will lead to discipline which may include discharge.

ENTERTAINMENT

While the Company generally does not concern itself with the private lives of its Team members, there are occasions when the interests of the Company and the private lives of its Team members intersect. Entertainment of clients and Team members is an example of such an intersection.

Accordingly, it is Company policy that when Team members are entertaining potential or existing customers or potential or current Team members — whether such entertainment is reimbursed by the Company or not — that nothing occurs that is adverse to the interests of the Company.

When entertaining clients, Team members are expected to avoid all unlawful activities. Such activities include, among others, driving while intoxicated, using illegal tickets, or consuming illegal substances.

Clients and Team members are not to be entertained at locations that violate any law, which provide any entertainment that may be viewed as sexual harassment, or which are inaccessible to persons with disabilities. Team members violating these guidelines are subject to discipline, up to and including discharge.

Not every entertainment situation can be anticipated. When Team members have any questions about the entertainment policy, they should contact their immediate supervisor.

ETHICAL BUSINESS PRACTICES

The purpose of the Company Code of Business Ethics is to establish rules of behavior for specific instances and to give Team members a general guide for confronting ethical issues in their day-to-day business activities.

The Company expects that every Team member will act in strict compliance with all laws and with the highest ethical standards. The Company believes that there should never be a conflict between good business practices and proper ethical conduct, although the issues involved may sometimes make it difficult to choose the best course of action.

Company executives, managers, and supervisors are responsible for assuring their Team members' understanding of, and compliance with, the Code of Ethics. They should actively encourage Team members to learn and use the Code

of Ethics.

Team members should always act in the Company's best interests. Those best interests lie in obeying the law and upholding the highest ethical standards. Team members should avoid any activity that may compromise these interests. Team members should not be subjected to influences, outside interests, or relationships that might jeopardize the Company's integrity.

EVENTS

Team members are required to participate in all after hours school-related activities that the Company sponsors or takes part in. The Company is not responsible for any injuries suffered during Company-sponsored activities.

All Team members will be expected to follow the same behavior guidelines during extracurricular events as they do during on-the-job activities. Team members who break rules during Company-sponsored events will be subject to discipline, up to and including discharge.

No alcohol will be served at any Company-sponsored event.

FIGHTING

Fighting will not be tolerated on Company premises at any time, for any reason, except in rare instances of self-defense. If a fight does occur, the immediate supervisor will interview all witnesses to get the facts as to who started the fight and why. Team members will be expected to cooperate in any such investigation. Those found guilty of fighting will be subject to discipline, up to and including discharge. Any Team member who strikes a manager or supervisor for any reason may be subject to immediate discharge.

Team members who display fighting tendencies or threaten violence in the workplace may be subject to immediate termination. No talk of, or joking about, violence will be tolerated. The Company broadly defines fighting and violent tendencies to include physically harming another, shoving, pushing, harassment, intimidation, coercion, brandishing weapons, and threats or talk of violence.

We will not tolerate Team members being in the possession of any weapons, including weapons transported in Team member vehicles, both inside the workplace and in the parking area.

FRAGRANCE

The Company recognizes that scented products contain numerous toxic chemicals that can cause serious breathing and neurological reactions in chemically-sensitive people.

Since chemical sensitivity is a serious health issue, the Company

discourages Team members from using fragranced personal products and from wearing perfume or cologne around any team members or customers who complain about a sensitivity towards the fragrance.

The Company also prohibits Team members from wearing fragranced products if they have work-related contact with persons determined by a physician to have such sensitivity.

GAMBLING

The Company believes that Team member gambling can lead to financial hardship and low morale. All forms of gambling, including card playing, lotteries, dice, horse wagering, or betting on sports, are prohibited.

Gambling is not permitted on Company property during work hours, during breaks, during lunch periods on Company premises, while traveling on Company business, at Company functions, or while entertaining clients.

Team members who sell or attempt to sell sports pool cards or run other betting pools will be subject to discipline, including discharge. Team members found guilty of acting as bookmakers will be subject to immediate termination.

Online gambling using Company-owned computers during business hours is strictly prohibited. The use of Company computer systems is restricted to the conduct of business.

Violators of this policy will be disciplined, up to and including termination.

GOOD SAMARITAN

The Company does not expect Team members to endanger their own lives or health to help others, but no Team member will be penalized or disciplined for engaging in such an act of altruism.

GOSSIP

The Company recognizes that gossip can be extremely detrimental to a workplace. It can damage reputations, hurt morale, and decrease productivity. Therefore, the spreading of gossip that involves sensitive subjects or harms a co-worker, supervisor, customer, etc., is strictly prohibited.

Team members who are found responsible for spreading disparaging or confidential information will be subject to discipline, up to and including termination.

All supervisors and managers are responsible for stopping the spread of gossip when they learn of it, conducting a thorough investigation into the source of a rumor, and disciplining known offenders.

Everyone with a problem is encouraged to complete the Concern Resolution Form to document the issue and bring it to the supervisor's attention.

HAZARD COMMUNICATIONS It is the policy of this Company to provide a safe workplace for its Team members based on guidelines established by Occupational Safety and Health Administration and other available recommendations. The Company has developed this program to assure that each of its Team members receives the information and training they need so they may work safely with hazardous chemicals found in the workplace. The Company complies with all federal and state "Right to Know" laws, which means Team members will be made aware of any chemical hazards they may face at the workplace. Team members will also receive special training concerning the labeling, handling, and disposal of hazardous substances, and what steps should be taken in the event of a spill.

If Team members have any questions about how hazardous waste should be handled or stored, they should see their supervisor immediately. Team members have a right to access records concerning their exposure to chemicals in the workplace.

INDEPENDENT CONTRACTORS

The ongoing operations of the Company often require support beyond what the regular, full-time Team members can provide. In such cases, independent contractors may be hired by the Company for a specified period of time to complete a specific project, to provide professional services, or to substitute for Team members on leave.

Independent contractors are solely responsible for paying all federal and state income, sales, and other taxes for

themselves and assistants they may hire. The Company will complete and file a Form 1099-MISC, Miscellaneous Income, for each independent contractor who contracts to do work with the Company.

Independent contractors are responsible for providing their own tools and equipment. When necessary, independent contractors may use the Company's telephones (for local telephone calls) and photocopy machines.

Independent contractors can hire assistants. If so, they are responsible for supervising and paying them. Independent contractors are responsible for ensuring that assistants do not harass Team members and do behave in a business-like manner.

All independent contractors doing business with the Company will sign written contracts. Oral agreements are not binding on the Company. The contract will delineate the job to be done, time frames, payment schedule, and other relevant issues. All contracts must be approved by CEO.

Independent contractors will agree to complete the job for which they are hired, or they will be held legally liable for the failure to complete the job. All disputes will be litigated in (list state) court.

Independent contractors will perform their work on Company premises only if necessary. The decision regarding business necessity will be made on a case-by-case basis, and in consultation with senior management and the independent contractor.

Independent contractors are expected to comply with applicable company policies on harassment, discrimination, confidentiality, substance abuse, business use of facilities, parking, etc.

INFECTIOUS DISEASES

The Company recognizes its responsibility to provide a safe workplace for all Team members and customers. Therefore, the nature of an infectious disease and its means of transmission will be considered when handling each specific illness.

As long as Team members with an infectious disease are able to meet performance standards, and medical evidence indicates that their conditions are not a significant current risk of substantial harm to themselves or others, they will report to work.

No Team members or applicants who are qualified and able to perform their job responsibilities without impairing their safety or the safety of others will be denied employment, deprived employment benefits, denied promotions, or discharged as a result of an infectious disease.

Any Team member who is diagnosed as having an infectious disease that may be transmitted in the workplace must inform his/her supervisor within one calendar day after diagnosis. A written statement from a physician documenting the Team member's ability or inability to perform assigned duties without transmitting the infectious disease must accompany such notification.

When a supervisor has a reasonable cause to believe that a team member is unable to perform assigned duties or is endangering the health or safety of others because of an infectious disease, he/she may request a fitness for duty exam to clarify the Team member's condition and guide future decisions regarding the Team member. Such an examination would be at the expense of the Company and conducted by a Company-selected physician.

The Company recognizes that the Team member's medical condition is confidential. Therefore, reasonable precautions will be taken to ensure information regarding a team member's health is provided only to those persons

with a need to know.

INSUBORDINATION

Refusal of a legitimate order, physical reactions, or the use of obscene or otherwise objectionable language to a supervisor or manager, among other actions, are considered insubordination. They undermine the discipline and authority needed in the workplace and cannot go unchallenged. Insubordination may result in discipline, up to and including discharge.

The best way for Team members to avoid this problem is to follow the order given by a supervisor or manager, then later question or challenge it through the grievance procedure. Team members never have to carry out an order that is unsafe or may result in death or serious injury, or one that has no job-related connection.

No personnel action will be taken against Team members if they refuse an

order because they believed their safety was at stake or a different course of action was available that would have been safer. If they are subject to insubordination discipline procedures, we will take these factors into consideration:

- safety or health concerns;
- their previous work and discipline record;
- provocation or stress;
- confusion or ambiguity in orders;
- use of obscene or threatening language or physical gestures.

INTERNET

Access to the Internet has been provided to Team members for the benefit of the Company and its customers and clients. Therefore, every Team member has a responsibility to maintain the Company's image and to use the Internet in a productive and useful manner. Internet users must recognize that all messages created, sent, or retrieved over the Internet are the property of the Company, and should be considered public information. Team members who use Company computers to access the Internet consent to having their Internet transmissions and retrievals accessed and monitored by the Company. Since the Internet is an open communication link, confidential information must not be transmitted or received over the Internet. To prevent computer viruses from being transmitted through the system, there will be no unauthorized downloading of any software. All software downloads will be done through the IT department and will be checked for viruses.

Keep in mind that information downloaded over the Internet may be subject to copyright laws or license agreements. Failure to observe copyright or license agreements may result in disciplinary action by the Company and/or legal action by the copyright owner.

Internet users must not send or receive any form of derogatory or harassing remarks, including comments based on age, disability, national origin, political affiliation, race, religion, sex, or sexual orientation. Similarly, no sexually-oriented information or images may be sent, displayed, or received.

The Internet should not be used for personal gain, such as soliciting or operating a non-Company business. Use of the Internet must not interfere with the Company network or the work of others. Also, it must not interfere with your productivity.

Lateness

Lateness is disruptive, costly, and not fair to the Company or other Team members. Chronic lateness will not be tolerated and will result in discipline, up to and including discharge.

Lateness disrupts schedules, adds to overtime costs, and places additional responsibilities on other Team members in a department. Team members are expected to be in their work areas and ready to work at their designated times.

Team members who are going to be unavoidably detained are expected to call the Company and inform their supervisors. Attendance is a critical part of performance and Team members who are frequently late lower their performance ratings and undermine their chances for promotion and job security.

Team members who demonstrate lateness problems will be counseled by their immediate supervisor. If problems persist, a written reprimand will be issued and the Team member will be counseled by the Personnel director.

MAIL

Team members are expected to use common sense in the use of our mail system. Our paramount goal is to communicate efficiently and effectively with our customers and vendors.

When sending mail, Team members are expected to follow all Company policies. For example, no abusive, harassing, or anonymous U.S. or interoffice mail is to be sent. No pornographic items are to be sent or received. No confidential information is to be disclosed in mail to persons outside the Company, unless a confidentiality agreement has been signed. Any contracts sent via facsimile are to be followed by a mailed original. Use of the Company mail system will be treated as permission to open mail sent or received to ensure compliance with Company policies.

In keeping with the Company policy of treating everyone with respect, the mail system may not be used to harass anyone. Any Team member who is subjected to harassing mail or interoffice memos should report such events to his/her supervisor or any officer of the Company, in accordance with our harassment policy.

Unless clearly marked "personal," all mail will be treated as intended for the Company and may be opened by designated personnel. To ensure compliance with Company policies, even personal mail may be subject to inspection. Team members should review the Company policies regarding harassment, moonlighting, conflict of interest, solicitation, and confidentiality, as each applies to our mail services.

Any Team members who violate any Company policy with respect to the mail are subject to discipline, up to and including discharge.

MEDICAL

Note: Medical policy requirements will be applied in conformance with the requirements of the Americans with Disabilities Act.

Every applicant must complete the medical history form completely and honestly. Withholding or changing information can result in immediate disqualification, or subsequent termination.

All Team members are required to report to their jobs in appropriate mental and physical condition, ready to work. If a team member may be impaired because of taking medication according to a doctor's prescription, he/she is expected to discuss it with their supervisor before commencing work that day.

MOONLIGHTING

We depend on our Team members to devote their full attention and effort to the duties to which they have been assigned. Therefore, our full-time Team members are asked to refrain from working elsewhere if at all possible. Should a team member find it necessary to take an additional job, a letter stating the conditions of the second position must be approved by both his/her supervisor and the Personnel director. This should be done prior to acceptance of any outside position.

Team members are required to disclose the nature of any outside employment to their immediate supervisor. Noncompensated jobs on behalf of charitable, civic, and educational organizations are excluded from this disclosure requirement. The intent is not to prohibit all outside employment, but to ensure that the conduct of Team members is not harmful to Company obligations and interests in any manner.

Under no circumstances will approval be given for work at another company that is in the same line of business as this Company, or in any way in competition with it. Failure to comply with this policy may be grounds for termination.

The company recognizes the right of its Team members to use their skills and knowledge to augment their income outside of regular working hours. However, Team member rights in this area must be balanced against the Company's need for full productivity during regular working hours. Therefore, outside employment will not be considered as an excuse for poor job performance, absenteeism, tardiness, or refusal to work overtime. Should outside employment cause or contribute to any of these situations, the possible outcome may be discipline, up to and including discharge.

The Company will not pay medical benefits for injuries or illnesses resulting from employment at an outside company.

NEPOTISM

To avoid conflicts of interest and the appearance of favoritism or bias, and to enhance supervision, security, and morale, the Company generally discourages the employment of relatives. The term "relatives" includes Team members' mother, father, sister, brother, child, stepmother, stepfather, stepsister, stepbrother, stepchild, niece, nephew, cousin, uncle, aunt, grandparent, grandchild, or in-laws within any of these categories.

Team members are not allowed to work in a position where their supervisor is a relative or where a personal relationship interferes with job performance or morale.

No person should be hired for a position when to do so would violate this policy. If such a situation is created through promotion, transfer, marriage, or other changes, one of the affected Team members must be transferred or terminated within 2 weeks after the relationship is established or becomes known.

This policy will be applied in accordance with applicable state and federal laws. Team members who violate the policy will be subject to discipline, up to and including termination. Questions or comments about the policy or its application may be addressed to the Personnel director.

NON-COMPETE AGREEMENTS

During your course of employment with this Company, you may have access to information that the Company considers confidential. This includes proprietary information, trade secrets, and intellectual property to which the Company holds the rights. By signing this agreement, you promise not to provide this information to competitors or to use it to set up your own business.

You agree to disclose to and assign to the Company any rights to improvements, discoveries, or inventions conceived, devised, made, developed, or perfected during your employment with the Company.

You agree to return any confidential material when your employment terminates.

This agreement is enforceable by the Company, its subsidiaries, affiliates, successors, and assignees.

Among the types of information protected by this agreement are:

- information on pending or potential patents, trademarks, or licenses;
- information on current negotiations;
- customer lists and marketing information;
- anticipated transactions in real estate or securities; and
- anticipated franchise or license agreements.

POLYGRAPH TESTING

Any use of a polygraph or lie detector test in the Company's employment setting will be applied strictly according to the requirements of the federal Team member Polygraph Protection Act and any applicable state laws. If Team members are called upon to submit to a polygraph test, such as for economic loss, all relevant legal procedures will be followed to ensure that the Team members' rights are protected. Team members will be permitted to terminate the test at any time and specific restrictions will be placed on the types of questions that may be asked.

Prior to the test, Team members will be notified of their rights concerning the test, the type of test that will be conducted, the conditions surrounding the testing, and the specific questions that will be asked. In addition, a polygraph examiner will be chosen who meets all requirements under the law. Disclosure of the test results will be restricted to the Team member, the Company, or a governmental entity pursuant to court order.

PRIVACY

Although the health and safety of its Team members is of vital importance to the Company, what Team members do on their own time that may affect their health and safety is not regulated by us. No one will be discriminated against or disciplined for using lawful substances outside of working hours and away from Company premises, including tobacco

or legal drug and alcohol products.

If, however, use of lawful substances outside of working hours and away from Company facilities affects Team members' on-the-job performance, appropriate steps will be taken under our discipline policy.

Possession or use of intoxicating beverages, unauthorized medical drugs, or controlled substances on Company property or use of these substances in a manner that affects work will subject Team members to discipline, up to and including discharge.

The Company has a commitment to the privacy of personal information kept in its personnel records. It uses only ethical and lawful means to gather information about or from applicants or Team members. Whenever reasonable, the Company gathers it directly from the Team members concerned. Personal information about Team members that is not job-related will not become part of Team members' files. Medical files are kept separately from the personnel files.

PROFANITY

The Company seeks to provide a professional, business-like working environment where Team members treat each other with respect and courtesy. Therefore, the Company asks that Team members refrain from using profane language when talking to, or in front of, co-workers and customers.

The Company will not tolerate language that goes beyond simple cursing and creates a hostile environment. Profanity that harasses Team members because of their sex, race, religion, sexual orientation, or other protected class will not be accepted. Language that contributes to the creation of a hostile environment will be subject to disciplinary action, up to and including discharge.

PROPERTY

All Team members are expected to exercise care in the use of Company property. Negligence in the care and use of Company property, or unauthorized removal or personal use of Company property, may be cause for discipline. Company property issued to Team members, including software, manuals, and proprietary information, must be returned if employment with the Company is terminated, either voluntarily or involuntarily.

No Team member will remove Company property from the premises without written permission from the supervisor or department head who is responsible for the property in question. Examples of the kind of property subject to this policy are:

- books, office supplies, and equipment;
- personal property owned by the Company or other Team members;
- confidential literature including contracts, manuscripts, outlines, and marketing reports;
- computer disks, tapes, and other storage media;
- information identified as proprietary or designated as a trade secret. Supervisors or security personnel may stop departing Team members and examine any boxes, bags, or other containers and check items being removed against sign-out slips. Team members' refusal to submit to such a search may be grounds for termination.

PROPRIETARY INFORMATION

Every Team member is expected to be aware of the importance of the Company's security policies and programs, particularly those aimed at safeguarding proprietary and confidential information. Team members are expected to follow all security policies and programs aimed at safeguarding proprietary information. Team members are prohibited from using or disclosing proprietary/confidential information during or after their employment. All Team members are expected to follow this policy and to report any infractions to their supervisors or to the Personnel department.

Proprietary information includes sales and marketing information,

financial information, expansion plans, manufacturing information, research, and accounting data, among others.

Confidential information includes personal information about Company Team members that could lead to expensive invasion of privacy lawsuits if released.

Trade secrets include formulas, patterns, programs, devices, methods, techniques, and processes that provide us with an advantage over our competitors.

The unauthorized copying or disseminating of proprietary information is grounds for dismissal.

PROTECTED ACTIVITY

The Company recognizes Team members' rights to join or not to join any social, political, labor, or religious organization.

With that in mind, the Company will not:

- dominate labor organizations or contribute financially to them;
- discriminate against Team members on account of union affiliation;
- retaliate against Team members for filing unfair labor practice charges or giving testimony;

RECORDS

Team members may examine their personnel records in accordance with state law. Records exempt from this inspection include potential job assignments,

predictions of future salary, and personnel planning information. Team members have the right to correct, ask for a deletion, or write a statement of disagreement with any item in the file. They may not remove files unless specifically authorized by the CEO.

It is the policy of the Company to allow Team members access to their personnel records based upon written requests. If Team members would like access to their personnel file, an advance 10 -day request is required. The Company will respond to the Team members' request within 10 days.

The Company will retain all Team member personnel records for 3-7 after separation from employment.

When Team members are hired, they fill out documents including employment applications and medical records. Team members sign a statement on the employment application testifying that all the information furnished is true. The statement also warns that falsification of employment records is considered a serious offense and may lead to termination at any point of Team members' career with the Company. If at some later date it is determined that an employment record has been falsified, the Team members will be subject to immediate discipline, up to and including dismissal.

The Company has a commitment to the privacy of personal information kept in its personnel records. It uses only ethical and lawful means to gather information about or from applicants or Team members. Whenever reasonable, the Company gathers it directly from the Team members concerned. Personal information about Team members which is not job-related will not become part of Team members' files. Medical files are kept separately from the personnel files.

Access to Team member records is restricted to the following:

- Personnel department Team members with a business need to know;
- the direct supervisor or department manager of an individual Team member with a business need to know;
- company executives with a business need to know.

REDUCTION-IN-FORCE

The Company will attempt to provide appropriate employment for all Team members. If a layoff is necessary to protect the Company's financial or operational status, it reserves the right to reduce its workforce either permanently or temporarily. It also reserves the right to reduce its workforce when substantial changes in status or technology necessitate such action.

Seniority will be one of the factors considered when Team members are laid off or recalled from layoff. However, job performance and the type of job being performed will also be considered in the decision. We reserve the right to evaluate individuals on a case-by-case basis before making an employment decision.

RETURN-TO-WORK

The Company believes it is in the best interest of its Team members to facilitate the expedient return of team member to full duty after they have suffered an absence due to an injury or illness. When possible, modified work assignments will be made available to Team members as a positive means of rehabilitation following a disabling injury.

Modified duties must meet the Company's needs as well as accommodate the Team member's medical restrictions while taking into consideration the welfare and safety of the Team member, his/her co-workers, customers, and/or clients.

To be eligible for a modified work assignment, the Team member's injury/illness must be temporary, not permanent, and must prevent the Team member from performing the full duties of his/her position for a minimum of two weeks.

Any Team member interested in a modified duty assignment must notify his/her supervisor of any injury or illness.

The Team member's supervisor will work together with the Human Resources department to develop a modified duty assignment. Every effort will be made to place a team member in his/her department either by temporarily modifying his/her current position or by creating a modified position. If the Team member cannot be placed in his/her department, then the Company will attempt to transfer the Team member to a position outside his/her department that is compatible with his/her work restrictions.

The Team member must obtain written medical approval from his/her physician concerning his/her ability to perform the assigned modified duties.

Placement under the Company's return-to-work policy is a temporary measure to facilitate early return to work and cannot exceed 90 days in duration, commencing upon the Team member's return to work.

If the Team member has not returned to his/her pre-injury position by the end of 90 days, then the Company may terminate the modified duty assignment. If the Team member has permanent restrictions that result in his/her inability to perform the essential functions of his/her pre-injury position, the provisions of the Americans with Disabilities Act (ADA) and/or other applicable laws will be applied to determine the Team member's suitability for employment.

ROMANCE

Although romantic relationships between co-workers are permitted, the Company discourages Team members from becoming romantically involved with one another. Office romances create a distraction that often adversely impacts productivity and performance.

The Company also discourages Team members from becoming romantically involved with customers, vendors, and competitors.

The Company prohibits supervisors from becoming romantically involved with subordinates. These situations can lead to charges of sexual harassment or retaliation by subordinates, and favoritism by other Team members. If a supervisor and subordinate are having a romantic relationship, it is the responsibility of the senior-ranking Team member to disclose the relationship to Company management or be in violation of the policy. The Company reserves the right to transfer one or both of the individuals.

Team members who become personally involved with co-workers should be aware that serious risks and consequences can develop as a result of the relationship's effect on business matters. The Company may intervene by discussing the issue with affected Team members, or taking remedial measures when, in the Company's opinion, it is necessary to do so to maintain the integrity of work relationships.

The Company prohibits sexual harassment. Team members can report any unwanted sexual conduct or unwelcome sexual advances to Company management. All complaints of sexual harassment will be promptly investigated, and disciplinary action will be taken against anyone found guilty of harassment.

Team members who feel that they have been adversely affected by a relationship with a supervisor/manager are urged to report it immediately to the CEO . A complete investigation will be launched quickly and confidentially.

Salaries and promotions are based on job performance. The Company will not tolerate favoritism in the workplace. Supervisors or managers who provide special benefits, such as promotions or raises, to Team members with whom they are having a romantic relationship will be disciplined accordingly.

SAFETY & HEALTH

Safety and health protection is a quality of work life issue which has a high priority in all of our business activities. Our goal is to minimize human injury or illness and property loss or business interruption caused by accidents, fire, or other hazards. We believe this will be achieved to the degree that all Company members accept and fulfill the safety and health responsibilities inherent in each job. Individually, we must recognize hazards, anticipate possible exposures and risks, then act to eliminate or control them.

The Company expects that its workers will give their best efforts to the prevention of industrial accidents and diseases. The Company will provide the necessary direction and aid to accomplish this goal and will also reward or discipline Team members according to their actions on behalf of safety or health concerns.

Team member safety and health are important to this Company. All Team members must adhere to all Occupational Safety and Health Administration (OSHA), federal, and state regulations and comply with the following general rules.

- All accidents or injuries must be reported immediately.
- Horseplay and practical jokes in work areas will not be tolerated.
- First-aid kits are available in designated areas.
- Smoking is prohibited in all areas throughout the premises.
- Team members are to be careful with their hands when operating any machinery and must see to it that others do not harm themselves on their machines.
- Operating shortcuts will not be tolerated and will result in immediate discipline. Team members are responsible for working as they are instructed to safely produce a quality product or service. Team members are also responsible to themselves and to the Company for reporting unsafe conditions or practices to management. It is then management's responsibility to act as conditions warrant. No Team member should ever perform a task or work with equipment that he/she considers to be unsafe. A poster describing both Company and Team member responsibilities and duties under OSHA is displayed on the Company bulletin board, along with other work-related informational posters. If Team members have any questions about the information found on the poster or need assistance in understanding, reading, or having the poster translated, contact the Personnel office.

SEARCHES

To protect the property and safety of our Team members, supervisors have the authority to request that any Team member open for inspection any package or other container brought onto, or taken from, Company premises. The term "Company premises" includes, but is not limited to, Company offices, all work areas, desks, rest areas, parking lots, driveways, loading docks, and any vehicle owned or leased by the Company.

Random searches of Company property, including desks and Team member vehicles parked on Company premises, can be conducted at any time when there is reasonable certainty that property has been taken.

If a team member is found to be carrying Company or other Team members' property without authorization, he/she is subject to discipline, up to and including termination.

Any Team member found in possession of an item or substance prohibited by this policy will be sent home and will be subject to further discipline, up to and including discharge.

Any Team member who refuses to comply with a search or investigation in accordance with this policy will be subject to discipline, up to and including discharge.

SECURITY

It is our policy to protect the security of Company property and records through the establishment of necessary controls and procedures.

Security problems and violations cannot be handled in a constructive manner unless Company management knows about them. Our security policy, therefore, places a strong emphasis on reporting security-related incidents so that the proper action can be taken.

In the event of theft, suspicious activity, or dangerous incident, Team members should report the situation to their supervisor. The supervisor will assess the situation and, if appropriate, contact the local police.

The Company reserves the right to inspect bags, parcels, or containers being removed from the premises. Further, in the interest of health and safety, the Company reserves the right to inspect the workplace, including lockers, desks, files, etc.

All keys, access codes, Company records, documents, and other property must be turned in at separation of employment.

SLEEP

Although the Company does not condone sleeping during work time, it does recognize that a short break for deep relaxation can improve alertness, judgment, safety, and productivity. Therefore, the Company permits Team members to take a nap while on their work breaks in order to rejuvenate and revitalize themselves.

Naps are permitted during Team members' break or lunch periods only and should be limited to 30 minutes. Team members who need to take a nap are required to inform their supervisor before leaving their workstation; Team members are not permitted to sleep at their desks. Also, naps are only permitted when the needs of the business are otherwise taken care of.

SMOKING

The Company recognizes the right of its Team members to work in an environment free of tobacco smoke. Therefore, smoking is strictly prohibited in Company owned or leased buildings, including offices, hallways, waiting rooms, restrooms, lunch rooms, elevators, and meeting rooms, among other areas.

The Company also recognizes the rights of Team members who choose to smoke to make personal decisions without interference, as long as these decisions do not interfere with the rights of other Team members and violate the Company's smoking policy.

This policy applies to all Team members, clients, contractors, and visitors. Team members who violate this smoking policy will be subject to discipline, up to and including termination.

The Company will comply with all state and local ordinances controlling smoking in the workplace. Team members with inquiries or complaints about smoking in the workplace are asked to report them to Personnel.

What Team members do outside of working hours and off Company premises will not be the basis of any disciplinary action. Nor will the Company pursue a policy of discharging Team members or refusing to hire applicants because they are smokers.

Due to the work environment being a school serving children, all smoking must occur at least 1,000 feet away from the place where children are being taught.

SOLICITATION

The Company does not allow non-Team member solicitation on its property. Salespersons will not be permitted to solicit Team members on Company property without approval. Any one who comes onto Company property to solicit its Team members for any reason will be asked to leave, and, if necessary, escorted off the premises.

The same rule applies to persons who come onto Company property to distribute flyers or other literature. Any Team member who is approached by someone wanting to sell something or hand something out is asked to call the CEO immediately.

During work time, Team members are expected to devote their time to work activities. Social solicitation activities are to take place only during break times and non-work times in areas where the Team members will not disturb other people who are working. In addition, distribution of flyers and literature must be done on non-work time and only with the express written permission of Personnel. This applies to selling stuff for your family or your children attending other schools. For instance, if you sell AVON it must be on your own time (breaks/lunch) and on the own time of the person you are selling too.

SUBSTANCE ABUSE

The possession, use, or sale of alcohol, unauthorized or illegal drugs, or the misuse of any legal drugs on Company premises or while on Company business is prohibited and will constitute grounds for termination.

We will make every effort to keep the results of drug and alcohol tests confidential. Only persons with a need to know the results will have access to them. The Team member will be asked for his/her consent before test results are released to anyone else. They should be aware, however, that test results may

be used in arbitration, administrative hearings, and court cases arising as a result of the Team member's drug testing. Also, results will be sent to federal agencies as required by federal law.

The Company restricts certain items and substances from being brought on or being present on Company premises, and prohibits Team members and others working on Company premises from reporting for work or from working with detectable levels of drugs or alcohol in their systems.

Team members who come to work under the influence of alcohol or any illegal drug will be subject to discipline, up to and including termination.

The term "Company premises" includes Company offices, work locations, desks, parking lots, and any vehicle engaged in Company operation. Random searches of Company premises, including personal effects and Team member vehicles parked on Company premises, may be conducted at any time.

Prohibited items will be confiscated and turned over to law enforcement officials when appropriate. Team members found in possession of any items or substances prohibited by this policy will be removed from Company premises and subject to disciplinary action, including discharge. Team members who refuse to comply with a search or investigation as described in this policy will be subject to discipline, up to and including discharge.

The Company will establish such procedures, besides testing, as it finds necessary to effectively enforce its drug policy. That may include a requirement that Team members cooperate in personal or facility searches when there is reason to believe drugs or alcohol are present, when their performance is impaired, or when their behavior is erratic. Refusing to cooperate with these procedures may be cause for disciplinary action, including termination.

Team members are responsible for promptly reporting to Personnel any use of prescribed drugs which may affect their judgment, performance, or behavior.

SUGGESTION SYSTEM

We believe that our Team members are capable of making constructive and valuable suggestions and that they should be rewarded for their ideas.

All Team members are eligible to participate and are encouraged to do so. The more efficient the Company is, the easier our work gets and the more profitable we become. Team members are encouraged to submit suggestions for the improvement of operations or procedures.

Suggestions for improvements of operations or procedures may be submitted by non-management Team members to supervisors for evaluation. Suggestions should be detailed, organized, and show money, time, or material savings. All suggestions will be acknowledged. The Concern/Resolution Forms can be used by Team members to write suggestions for consideration.

TELEPHONE

The Company maintains its telephone equipment for business purposes. It is recognized that some personal telephone calls are necessary. Team members are allowed to make a reasonable number of personal calls. However, they should be as brief as possible to avoid interfering with Team members' normal work or with business use of the telephones.

Cellular telephones issued by the company are restricted to Team members whose responsibilities require their use. They are to be used for Company business purposes only.

Mobile/car phones which are purchased by the Company are the property of the Company and must be returned upon the Team member's termination or resignation.

The Company does not encourage Team members to use personal cellular telephones for Company business. Use of personal telephones for Company business is strictly voluntary. Actual air time charges for calls related to

Company business will be reimbursed when they are submitted on a properly- documented and approved expense report.

THEFT

Company property is a valuable asset, costly to replace. All Team members must protect it from theft, loss, and damage. Company property includes knowledge and information as well as physical goods.

Cameras, typewriters, computers, books, magazines, stationery, copiers, and supplies are for Company business only and are not to be used for personal matters.

None of the above items are to be removed from the office for other than Company business. If it is necessary to use any of these items outside the office for Company business, Team members must get written permission from their supervisor and be responsible for the items' safekeeping and return.

Any Team member who violates this policy is subject to discipline, up to and including immediate dismissal.

TIME CLOCK

The Company has a standard attendance policy which works in conjunction with a time clock. Please remember to sign-in and out every day and to complete punch error forms when you have an error. More than three (3) punch errors in a pay period could lead to disciplinary actions.

Supervisors will train Team members on the proper use of the time clock when there is a problem.

VIOLENCE

The safety and security of the Company's Team members, customers, vendors, contractors, and the general public are of vital importance. Therefore, acts of violence made by a team member against another person's life, health, well-being, family, or property will not be tolerated. Team members who are guilty of acts or threats of violence will be subject to discipline, up to and including immediate termination.

The Company prohibits the following:

- any act or threat of violence made by a team member against another;
- any act or threat of violence, including, but not limited to, intimidation, harassment, or coercion;
- any act or threat of violence which endangers the safety of Team members, customers, vendors, contractors, or the general public;
- any act or threat of violence made directly or indirectly by words, gestures, or symbols; The possession, sale, or use of weapons is prohibited on Company property. This includes, but is not limited to, parking lots, buildings, Company-owned vehicles, and vehicles being used for Company business. Possession of weapons is also prohibited when Team members are off Company property but performing Company business. Weapons are defined as firearms, knives, explosive materials, or any other object that could be used to harass, intimidate, or injure another individual.

It is a requirement that Team members report to their supervisor or the CEO, in accordance with this policy, any behavior that compromises the Company's ability to maintain a safe work environment. All reports will be investigated immediately and kept confidential except where there is a legitimate need to know.

VOLUNTEERISM

No Team member can volunteer for the Company during regular working hours. All parents who are Team members

can volunteer when they are off the clock for the Company. All parents who are Team members should clear their volunteer wants and desires with the CEO and/or their supervisor.

VOTING

It is the policy of this Company to give Team members time off to vote.

Before taking time off to vote, Team members must make a written request to their manager for time off 10 days before voting day.

Time off to vote will be treated as a unpaid absence.

Time off to vote is granted if the polls open fewer than 2 hours prior to work starting time or close fewer than 2 hours after quitting time. Time off to vote may be taken before coming in to work or at the end of the work day.

WEAPONS

A safe working environment is very important to all of us. For this reason, no Team member or visitor may enter Company property with any type of weapon. This includes visible and concealed weapons, even those for which the owner has obtained the necessary permits. While this list is not all inclusive, weapons include firearms, knives with a blade longer than 4", any explosive materials, or any other objects that could be used to harass, intimidate, or injure another individual.

Company property includes parking lots, buildings, company cars, cars being used for Company business, and Team members who are off Company property but performing Company business.

This policy applies to all Team members, temporary workers, visitors, customers, and contractors on Company property, regardless of whether or not they are licensed to carry a concealed weapon. The only exceptions to this policy are police officers, security guards, or other persons who have been given written consent by the Company to carry a weapon on the property.

In the case of a concealed weapon, any Team member who determines or speculates that a team member or visitor is carrying any kind of weapon should notify his/her supervisor immediately. Team members should not, under any circumstances, attempt to disarm another Team member or visitor. Any Team member or visitor found carrying a concealed weapon will be turned over to the police and will be subject to disciplinary action, which may include termination.

We reserve the right to conduct searches of any person, vehicle, or object that enters onto Company property. We may also search lockers, desks, purses, briefcases, baggage, toolboxes, lunch boxes, clothing, vehicles parked on Company property, and any other item in which a weapon may be hidden. The Company may also authorize searches by law enforcement personnel without the Team member being present. Team members have the right to refuse such a search, but they may be terminated for doing so.

Anyone in violation of this policy will be asked to leave the premises immediately. The Company will also make a report of the incident to local law enforcement personnel concerning a violation of our weapons policy.

WHISTLEBLOWING

The Company will protect Team members who report in good faith what they reasonably believe to be a violation of state or federal law or conditions or practices that would put the health or safety of Team members at risk.

Team members are required to first report the alleged violation, condition, or practice to a person with supervisory authority over the Team member and give the Company time to remedy the situation. No Team members will be discharged, threatened, or discriminated against in any manner for reporting what they perceive to be wrongdoing.

WORKERS' COMPENSATION

Workers' Compensation insurance provides benefits for job-related

injuries. All Team members are covered and the entire cost of this insurance is paid by the Company. Our Workers' Compensation insurance costs are based on the number of injuries the Company suffers. The lower our injury rate, the lower our costs, which means that more money can be put back in the Company for the benefit of it and our Team members.

One way to keep our Workers' Compensation costs under control is to work safely and follow all rules and regulations. The Company will enforce all safety rules, and Team members who violate them will be disciplined, up to and including termination.

If the Team member is injured on the job, the Team member must give the Company written notice of the injury within 24 hours in order to trigger the Team member's right to Workers' Compensation benefits. Forms for reporting injuries may be obtained in the Personnel office.

Should any Team member sustain a work-related injury, our Workers' Compensation insurance will provide medical coverage and income replacement for the period of the Team member's disability, as required by law.

10. GRIEVANCES

A team member grievance procedure is available to Team members as a fair and effective means to resolve work-related complaints and problems. By using the procedure, Team members can call upon their supervisors and Company executives to evaluate their cases and decide whether or not they have been treated fairly.

Team members can use the procedure when they feel a work-related decision is not consistent with established Company policies and practices, including those outlined in our Team member handbook or Company policy manual.

Team members should discuss their grievances with their immediate supervisors within 10 working days after the incident. If they are not satisfied, they should take their grievance to the next supervisory level if one exists in their department.

Where Team members believe it would be inappropriate to discuss their grievances with their immediate supervisor, they may bypass the supervisor and seek assistance from the next level of management.

Grievances may include, but are not limited to, such issues as discipline, transfer, job posting, selection, unfair assignment, a personal request that was denied, etc.

Team members cannot use the procedure to appeal decisions related to the Company's responsibility to determine corporate direction or strategy, or operating decisions such as the number and assignment of Team members,

establishment of rules of conduct, determination of the hours and days of work, starting and quitting times, wages and benefits, etc.

The Company will not permit any supervisor, manager, or Team member to engage in any form of retaliation against any Team member availing him/herself of the grievance procedures. See Appendix A for the Grievance Procedures.

10.1. INVESTIGATIONS

The Company will launch an investigation any time it has reason to believe that a law or policy has been violated. As far as workplace harassment is concerned, the Company will investigate any complaint it receives, even if the complainant requests that nothing be done.

If Team members ever at any time have any questions regarding the policy or the procedures of an investigation, they should not hesitate to contact the Personnel department. The Company reserves the right to use any lawful method of investigation which in its sole discretion it deems reasonable and necessary to determine whether any Team member has engaged in conduct warranting disciplinary action.

Team members may be required to participate in an investigative technique, such as an interview, under certain conditions. Their willingness to participate in this investigative technique is mandatory, and failure to cooperate with the Company may result in discharge. Their failure to answer any questions will be considered a refusal to cooperate with the investigation and will lead to disciplinary action, up to and including discharge.

The results of the investigation will be made available only to those Team members with the need to have access to it. Those persons who the Company has reason to believe have engaged in actions contrary to the policies or best interests of the Company will be subject to termination.

The Company will make every effort to protect the privacy rights of Team members interviewed in the course of an investigative interview. However, Team members are not entitled to total confidentiality since the information obtained

may need to be corroborated by another Team member. The investigator will not, however, divulge any unnecessary information. Conversely, Team members who are interviewed during an investigation should maintain strict confidentiality about the contents of the interview, and may be asked to sign a confidentiality agreement.

10.2. ARBITRATION

The Company believes in an open communications policy under which Team members who have a complaint or disagreement are encouraged to attempt resolution by a frank discussion with their immediate supervisors and by utilizing the "Concern Resolution Form". This usually resolves most workplace problems. At the same time, management recognizes that any two people may see things differently and sometimes an immediate resolution cannot be achieved. It is always the responsibility of the Team member to bring a problem to the attention of his/her supervisor within a reasonable period of time.

The Company maintains an open-door policy that allows Team members to discuss any matter relative to his/her job or personal affairs with any member of management without fear of retaliation. Team members who wish to discuss a matter with someone other than their immediate supervisor may do so at any time by contacting the CEO.

Where all previous efforts to solve a workplace problem have failed, the Company will consider an arbitration process.

11. DISCIPLINE

All Team members are expected to behave in an orderly, courteous manner and to fulfill the obligations set out in their job descriptions. If Team members knowingly and willingly violate Company rules of conduct, their immediate supervisor will discipline the Team members in accordance with these general guidelines.

Minor violations will be considered as Team member actions that impair production or momentarily disrupt smooth operations. These violations include, but are not limited to, loafing, leaving the work station without permission, and stopping work before the end of the day. A supervisor will usually deliver a verbal reprimand for such minor violations, unless a team member repeatedly violates the same rule or regulation.

Moderate violations are considered to be those Team member actions that impair or disrupt the orderly performance of work by the individual or a group of Team members. These violations include, but are not limited to, abusive language, gambling on premises, leaving the Company facility without permission during working hours, and repeated occurrences of minor violations. "Repeated" is defined as more than 2 minor violations per month. In such cases, the Team member's immediate supervisor will issue a written reprimand.

Major violations are considered to be Team member actions that directly endanger the health and safety of any Team member or significantly disrupt the orderly performance of work. They include, but are not limited to, insubordination, falsification of Team member or Company records, theft of Company or Team member property, violation of safety rules, and the use of alcohol or illegal drugs on Company premises at any time. They may also include the issuance of 2 written reprimands within one month.

Interviews that may result in discipline will be conducted with the supervisor, an HR representative, the Team member, the CEO when warranted and a co-worker or representative for the Team member, if the Team member so chooses.

Each Team member has the right to express his/her views concerning Company policies and practices to management. Each Team member is responsible, however, for expressing those views in a fair, honest, and professional manner. Every Team member should be committed to making positive and constructive criticism of disciplinary rules and regulations.

The Company reserves the right to bypass the disciplinary steps and base its disciplinary action on the severity, frequency, or combination of infractions when circumstances warrant immediate action.

For serious offenses, such as fighting, theft, insubordination, violence, drug or alcohol abuse, etc., termination may be the first and only disciplinary step taken. Any step or steps of the progressive disciplinary process may be skipped at the discretion of the company.

ATTACHMENT #1

MEMORANDUM OF UNDERSTANDING (MOU)

Youth Empowerment Services, Inc. (YES) and the Por Vida Academy (Por Vida) agree to supplement the MOU that was signed on March 21, 2017, in order to clarify the employer of former YES employees and to clarify the category under which Por Vida falls for the purpose of the TIF5 and TSL federal grants.

I. Definitions of Terms Represented in the Supplemental MOU

1. **Continuing Education Unit (CEU)** is a professional development training requirement that teachers must complete in order to maintain their teaching licenses.
2. **Non-Federal Entity** is a state, local, government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a federal award as a recipient or subrecipient.
3. **Pass-Through Entity** is a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program.
4. **Recipient** is a non-federal entity that receives a federal award directly from a federal awarding agency to carry out an activity under a federal program. This term does not include subrecipients.
5. **Subaward** is an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity.
6. **Subrecipient** is a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.
7. **Teacher Incentive Fund Program (TIF5)** is a United States Department of Education (USDE) discretionary grant program that provides funding for projects that develop and implement performance-based teacher and principal compensation systems in high-need schools.
8. **Teacher and School Leader (TSL)** is a USDE discretionary grant program that builds on the former TIF program that promotes comprehensive evaluation and support systems for all educators to improve student outcomes by increasing educators' effectiveness.

II. Former YES Employees

Por Vida acknowledges and agrees to the following:

1. Por Vida will serve as the employer of all former YES staff employees who are performing grant-related duties as detailed in the TIF5 and TSL grants;
2. Former employees of YES will be employees of Por Vida for the purposes of salary, retirement, and other employment-related benefits;

3. Por Vida will not be required to utilize any of its local funds or any other funds for the purpose of carrying out this partnership agreement;
4. All training provided to employees through the grant is covered under the Por Vida's authority to issue CEU credit. This designation will be a part of all training in which certificates are awarded for the completion of requisite hours; and
5. Por Vida will allow YES to utilize the current restricted and unrestricted indirect cost rate as a partner for the implementation of the budget for the grants.

YES acknowledges and agrees to the following:

1. YES, Inc. will utilize all approved staff costs from the grant to reimburse all personnel invoices and all costs associated with Por Vida serving as the employer of former YES employees, including all taxes, benefits, workmen's compensation, and other employer-related costs;
2. Former YES employees will follow all Por Vida personnel policies, as well as undergo an orientation for Por Vida employees; and
3. Former YES employees and new employees who are hired to work on the grant are, as part of this partnership, Por Vida employees.

III. Por Vida's Responsibilities

Por Vida is responsible for the following:

1. Employing all personnel who work to implement the grant goals, objectives, tasks, and responsibilities. Exceptions include individuals who are either retired or otherwise do not qualify to work for Por Vida. This includes paying salaries, paying taxes on salaries, approving hires and terminations, and providing insurance coverage options, as required; and
2. Providing CEU credit to all individuals who are trained under the grant.

IV. Youth Empowerment Services' (YES') Responsibilities

As the grant recipient of federal awards, YES is solely responsible to the federal government for the execution of the grant award. As such, YES is responsible for ensuring Por Vida's accomplishment of the grant purposes and for Por Vida's compliance with the grant award's terms and applicable federal laws, rules, and regulations.

V. Miscellaneous Provisions

Por Vida and YES acknowledge and agree to the following:

1. The partnership between the two parties commenced at the start of the 2015-2016 school year and has continued to the present;
2. This partnership is an integral part of continuing efforts to improve classroom instruction, increase teacher and school leader effectiveness, and boost student outcomes; and
3. This partnership memorandum of understanding exists for the mutual benefit of implementing the USDE TIF5 and TSL grants that have been awarded to YES, Inc. to Por Vida and the other Districts that are included in the targeted programs. There is no other reason for the partnership other than to support the efforts to improve education for our community through the USDE funding.

VI. Termination

Either party can terminate this agreement by providing written notice 90 days in advance.

Youth Empowerment Services, Inc.

Date

Claudette Yarbrough
CEO Youth Empowerment Services, Inc.

Por Vida Academy

Date

Joseph G. Rendon