# GENERAL STATEMENTS, POLICIES

#### A. Scope.

The policies and procedures set forth in this Handbook are for the general guidance of the Company's employees of the Mission Yogurt, Inc. (the "Company") and are not intended to cover every specific act or duty. In addition to these policies and procedures, it is the duty of each employee to comply with the written and oral directions, instructions and requests of his or her supervisors. Strict compliance with these policies and procedures and the instructions and directions of supervisors is essential to the success of the Company.

This Employee Handbook supersedes all previously issued employee handbooks and any inconsistent verbal or written policy statements made or issued before this Employee Handbook. Except for the policy of at-will employment, the Company reserves the right to revise, delete and add to the provisions of this Employee Handbook.

#### B. Employees' Responsibility to Know and Understand All Policies and Procedures.

All employees of the Company are responsible for knowing and understanding the Company's policies and procedures and shall comply therewith. If an employee has any questions or concerns about any policy or procedure of the Company, the employee should ask his or her supervisor for clarification before taking any action that could be deemed a violation of the policy or procedure in question.

# C. No Contractual Rights—Employment at Will.

NOTICE: This Handbook is not intended and shall not be construed to grant contractual rights to any employee or third party. The policies and procedures set forth in this Handbook apply to all employees of the Company and do not constitute a contract of employment or any part thereof, either express or implied. None of our personnel documents and benefit plans, including this Employee Handbook, constitutes, or is intended to constitute, an express or implied contract guaranteeing continued employment for any employee. No manager or supervisor has any authority to enter into a contract of employment express or implied that changes or alters the at-will employment relationship. **Only the President/Owner of the Company or his or her authorized representative has the authority to enter into an employment relationship, and any such** 

agreement must be in writing and signed by the President/Owner of the Company or his or her authorized representative. Except as provided in Chapter 2, Paragraph A, and notwithstanding any representations contained in any employment application, Company forms, other Company documents, policies, or any statements made by any agent of the Company, all of the employees of the Company have an at-will relationship with the Company. As a result of such at-will relationship, all employees of the Company are free to resign or leave their employment with the Company at any time and for any reason, with or without cause, and with or without notice, subject only to the applicable requirements of state or federal law. Likewise, the Company is free to discontinue your employment at any time for any reason, with or without cause, and with or without notice, subject only to the applicable requirements of state and federal law.

# D. Amendments.

These policies and procedures may be changed from time to time by the Company as it deems appropriate, and those changes may be incorporated into this Handbook. However, regardless of whether any changes are physically incorporated into this Handbook, they shall take effect immediately upon adoption by the Company, and it is the responsibility of each employee to determine whether there have been any changes.

# E. Severability.

If any part of this Handbook is held by judicial review to be invalid, every other part of the Handbook not specifically held to be invalid shall continue in full force and effect. Nothing in this Employee Handbook or in any other document or policy is intended to violate any local, state or federal law. Nothing in this Employee Handbook is intended to prohibit protected conduct or communications relating to employee wages, hours or working conditions, or any other conduct protected by Section 7 of the National Labor Relations Act (NLRA). Furthermore, nothing in this Employee Handbook prohibits an employee from reporting concerns, making lawful disclosures, or communicating with any governmental authority about conduct the employee believes violates any laws or regulations.

# 2

# **EMPLOYMENT POLICIES**

# A. At-Will Employment.

The Company considers the freedom of the Company and its employees to terminate the employment relationship to be a valuable and important right. All employees of the Company are employed at-will. This means that all employees of the Company are free to leave the Company at any time and for any reason. Similarly, the Company may terminate any employee at any time, with or without notice and with or without cause.

No supervisor, manager, or representative of the Company other than the President has the authority to enter into any agreement with you for employment for any specified period or to make any promises or commitments contrary to the Company's policy of at-will employment. Only the President/Owner of the Company or his or her authorized representative has the authority to enter into an employment agreement that alters the at-will employment relationship, and any such agreement must be in writing and signed by the President/Owner of the Company or his or her authorized representative.

#### **B.** Discrimination, Harassment and Retaliation Prevention

#### **1. Equal Employment Opportunity.**

The Company is an equal opportunity employer. In accordance with applicable law, we prohibit discrimination and harassment against employees, applicants for employment, individuals providing services in the workplace pursuant to a contract, unpaid interns and volunteers based on their actual or perceived: race (including traits historically associated with race, such as hair texture and protective hairstyles), religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status (including registered domestic partnership status), sex and gender (including pregnancy, childbirth, lactation and related medical conditions), gender identity and gender expression (including transgender individuals who are transitioning, have transitioned, or are perceived to be transitioning to the gender with which they identify), age (40 and over), sexual orientation, Civil Air Patrol status, military and veteran status and any other consideration protected by federal, state or local law (collectively referred to as "protected characteristics").

For purposes of this policy, discrimination on the basis of "national origin" also includes discrimination against an individual because that person holds or presents the California driver's license issued to those who cannot document their lawful presence in the United States, as well as discrimination based upon any of the following:

- An individual's or individual's ancestors' actual or perceived physical, cultural or linguistic characteristics associated with a national origin group;
- Marriage to or association with individuals of a national origin group;
- Tribal affiliation;
- Membership in or association with an organization identified with or seeking to promote the interests of a national origin group;
- Attendance or participation in schools, churches, temples, mosques or other religious institutions generally used by persons of a national origin group; or
- A name that is associated with a national origin group.

An employee's or applicant for employment's immigration status will not be considered for any employment purpose except as necessary to comply with federal, state or local law.

The Company allows employees to self-identify their preferred gender, name and/or pronoun, including gender-neutral pronouns. The Company will use an employee's gender or legal name as indicated on a government-issued identification document, only as necessary to meet an obligation mandated by law. Otherwise, the Company will identify the employee in accordance with the employee's current gender identity and preferred name.

The Company will not tolerate discrimination or harassment based upon these protected characteristics or any other characteristic protected by applicable federal, state or local law. The Company also does not retaliate or otherwise discriminate against applicants or employees who request a reasonable accommodation for reasons related to disability or religion. Our commitment to equal employment opportunity applies to all persons involved in our operations and prohibits unlawful discrimination and harassment by any employee (including supervisors and co-workers), agent, client, customer or vendor.

# C. Discrimination and Harassment Prohibited.

The Company expressly prohibits any form of unlawful employee harassment or discrimination based on race, creed, color, religion, sex, national origin, ancestry, age, disability, veteran status, marital status, sexual orientation, or status in any other group protected by federal, State, and local law. Improper harassment which interferes with the ability of an employee to perform his or her duties will not be tolerated.

# D. Sexual Harassment and All Other Forms of Harassment Prohibited

The Company is committed to providing a work environment that is free of illicit harassment based on any protected characteristics. As a result, the Company maintains a strict policy prohibiting sexual harassment and harassment against employees, applicants for employment, individuals providing services in the workplace pursuant to a contract, unpaid interns or volunteers based on any legallyrecognized basis, including, but not limited to, their actual or perceived race (including traits historically associated with race, such as hair texture and protective hairstyles), religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status (including registered domestic partnership status), sex and gender (including pregnancy, childbirth, lactation and related medical conditions), gender identity and gender expression (including transgender individuals who are transitioning, have transitioned, or are perceived to be transitioning to the gender with which they identify), age (40 or over), sexual orientation, Civil Air Patrol status, military and veteran status, immigration status or any other consideration protected by federal, state or local law. For purposes of this policy, discrimination on the basis of "national origin" also includes harassment against an individual because that person holds or presents the California driver's license issued to those who cannot document their lawful presence in the United States, and based on any of the following:

- An individual's or individual's ancestors' actual or perceived physical, cultural or linguistic characteristics associated with a national origin group;
- Marriage to or association with individuals of a national origin group;
- Tribal affiliation;
- Membership in or association with an organization identified with or seeking to promote the interests of a national origin group;
- Attendance or participation in schools, churches, temples, mosques or other religious institutions generally used by persons of a national origin group; or
- A name that is associated with a national origin group.

# All such harassment is prohibited.

This policy applies to all persons involved in our operations, including coworkers, supervisors, managers, temporary or seasonal workers, agents, clients, vendors, customers, or any other third party interacting with the Company ("third parties") and prohibits proscribed harassing conduct by any employee or third party of **the Company**, including nonsupervisory employees, supervisors and managers. If such harassment occurs on the Company's premises or is directed toward an employee or a third party interacting with the Company, the procedures in this policy should be followed.

# E. Sexual Harassment Defined

Sexual harassment includes unwanted sexual advances, requests for sexual favors or visual, verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of employment; or
- Submission to, or rejection of, such conduct is used as a basis for employment decisions affecting the individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment also includes various forms of offensive behavior based on sex and includes genderbased harassment of a person of the same sex as the harasser. The following is a partial list:

• Unwanted sexual advances.

- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct: leering; making sexual gestures; displaying sexually suggestive objects or pictures, cartoons, posters, websites, emails or text messages.
- Verbal conduct: making or using derogatory comments, epithets, slurs, sexually explicit jokes, or comments about an employee's body or dress.
- Verbal sexual advances or propositions.
- Verbal abuse of a sexual nature; graphic verbal commentary about an individual's body; sexually degrading words to describe an individual; suggestive or obscene letters, notes or invitations.
- Physical conduct: touching, assault, impeding or blocking movements.
- Retaliation for reporting harassment or threatening to report sexual harassment.
- An employee may be liable for harassment based on sex even if the alleged harassing conduct was not motivated by sexual desire. An employee who engages in unlawful harassment may be personally liable for harassment even if the Company had no knowledge of such conduct.

# F. Other Types of Harassment

Prohibited harassment on the basis of any legally protected classification, including, but not limited to: race (including traits historically associated with race, such as hair texture and protective hairstyles), color, national origin, ancestry, physical or mental disability, medical condition, genetic information, marital status (including domestic partnership status), age (40 or over), sexual orientation, Civil Air Patrol status, military and veteran status, immigration status or any other consideration protected by federal, state or local law, includes behavior similar to the illustrations above pertaining to sexual harassment. This includes conduct such as:

- Verbal conduct including threats, epithets, derogatory comments or slurs based on an individual's protected classification;
- Visual conduct, including derogatory posters, photographs, cartoons, drawings or gestures based on protected classification; and
- Physical conduct, including assault, unwanted touching or blocking normal movement because of an individual's protected status.

# G. Abusive Conduct Prevention

It is expected that the Company and persons in the workplace perform their jobs productively as assigned, and in a manner that meets all of managements' expectations, during working times, and that they and refrain from any malicious, patently offensive or abusive conduct including but not limited to conduct that a reasonable person would find offensive based on any of the protected characteristics described above. Examples of abusive conduct include repeated infliction of verbal abuse, such as the use of malicious, derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the intentional sabotage or undermining of a person's work performance.

# H. Protection Against Retaliation

Retaliation is prohibited against any person by another employee or by the Company for using the Company's complaint procedure, reporting proscribed discrimination or harassment or filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by a governmental enforcement agency. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, failure to hire or consider for hire, failure to give equal consideration in making employment decisions, failure to make employment recommendations impartially, adversely affecting working conditions or otherwise denying any employment benefit.

# I. Discrimination, Harassment, Retaliation and Abusive Conduct Complaint Procedure

Any employee who believes that he or she has been harassed, discriminated against, or subjected to retaliation or abusive conduct by a co-worker, supervisor, agent, client, vendor, customer, or any other third party interacting with the Company in violation of the foregoing policies, or who is aware of such behavior against others, should immediately provide a written or verbal report to his or her supervisor, any other member of management, or Human Resources.

Employees are not required to make a complaint directly to their immediate supervisor. Supervisors and managers who receive complaints of misconduct must immediately report such complaints to Human Resources who will attempt to resolve issues internally.

When a report is received, the Company will conduct a fair, timely, thorough and objective investigation that provides all parties appropriate due process and reaches reasonable conclusions based on the evidence collected. The Company expects all employees to fully cooperate with any investigation conducted by the Company into a complaint of proscribed harassment, discrimination or retaliation or regarding the alleged violation of any other Company policies. The Company will maintain confidentiality surrounding the investigation to the extent possible and to the extent permitted under applicable federal and state law.

Upon completion of the investigation, the Company will communicate its conclusion as soon as practical. If the Company determines that this policy has been violated, remedial action will be taken, commensurate with the severity of the offense, up to and including termination of employment. Appropriate action will also be taken to deter any such conduct in the future.

# J. Disability Accommodation

To comply with applicable laws ensuring equal employment opportunities for individuals with disabilities, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an employee or applicant for employment unless undue hardship and/or a direct threat to the health and/or safety of the individual or others would result.

Any employee who requires an accommodation in order to perform the essential functions of his or her job, enjoy an equal employment opportunity and/or obtain equal job benefits should contact Human Resources to request such an accommodation. Human Resources will communicate with the employee and engage in an interactive process to determine the nature of the issue and what, if any, reasonable accommodation may be appropriate. In some cases, this interactive process may be triggered

without a request from the employee, such as when the Company receives notice from its own observation or another source that a medical impairment may be impacting the employee's ability to perform his or her essential job functions.

Employees who believe they need an accommodation must specify, preferably in writing, what barriers or limitations prompted the request. The Company will evaluate information obtained from the employee, and possibly his or her health care provider or another appropriate health care provider, regarding any reported or apparent barriers or limitations and will then work with the employee to identify possible accommodations, if any, that will help to eliminate or otherwise address the barrier(s) or limitation(s). If an identified accommodation is reasonable and will not impose an undue hardship on the Company and/or a direct threat to the health and/or safety of the individual or others, the Company will generally make the accommodation or it may propose another reasonable accommodation that may also be effective. Employees are required to cooperate with this process by providing all necessary supporting documentation of supporting the need for accommodation, and being willing to consider alternative accommodations when applicable.

The Company will also consider requests for reasonable accommodations for medical conditions related to pregnancy, childbirth and lactation if supported by medical documentation and/or as required by applicable federal, state or local law.

Employees who wish to request unpaid time away from work because of a qualifying disability should speak to Human Resources regarding a proposed accommodation. The Company will not retaliate or otherwise discriminate against an employee or applicant who requests an accommodation in accordance with this policy.

# K. Religious Accommodation

The Company will provide reasonable accommodation for employees' religious beliefs, observances and practices when a need for such accommodation is identified and reasonable accommodation is possible. A reasonable accommodation is one that eliminates the conflict between an employee's religious beliefs, observances or practices and the employee's job requirements, without causing undue hardship to the Company.

The Company has developed an accommodation process to assist employees, management and Human Resources. Through this process, the Company establishes a system of open communication between employees and the Company to discuss conflicts between religion and work and to take action to provide reasonable accommodation for employees' needs. The intent of this process is to ensure a consistent approach when addressing religious accommodation requests.

Any employee who perceives a conflict between job requirements and religious belief, observance or practice should bring the conflict and his or her request for accommodation to the attention of Human Resources to initiate the accommodation process. The Company requests that accommodation requests be made in writing, and in the case of schedule adjustments, as far in advance as possible.

The Company will not retaliate or otherwise discriminate against an employee or applicant who requests an accommodation in accordance with this policy.

# L. Accommodation for Victims of Domestic Violence, Sexual Assault or Stalking

The Company will make reasonable accommodations for any employee who reports that he or she is the victim of domestic violence, sexual assault or stalking and requests that the Company accommodate his or her safety while at work, unless providing the accommodation will impose an undue hardship on the company's business operations or violates the company's duty to provide a safe and healthy working environment for all employees.

Reasonable accommodations may include, but are not limited to: a transfer; reassignment; modified work schedule; change in work telephone number; change in work station; installed lock; assistance in documenting domestic violence, sexual assault or stalking that occurs at the workplace; safety procedures; or any other adjustment to a job structure, workplace facility or work requirement in response to a domestic violence, sexual assault or stalking or referral to a victim assistance organization.

Employees may also be entitled to a leave of absence under the company's Domestic Violence, Sexual Assault or Stalking Victim Leave policy and should consult that policy and/or Human Resources for additional information.

The Company may request that an employee provide a written statement signed by the employee (or an individual acting on behalf of the employee) certifying that the requested accommodation is for the employee's safety while at work. The Company may also require an employee to provide a certification, such as police report, court order or documentation from a medical professional, that the employee is the victim of domestic violence, sexual assault or stalking and may request recertification every six months.

Employees must notify the Company if their needs change or if they no longer need an accommodation.

The Company will keep all information submitted in connection with an employee's request for an accommodation confidential to the extent permissible by law. If the law requires disclosure of information, the Company will notify the employee before any information is released.

The Company will not discriminate, harass or retaliate against any employee because the individual is, or is perceived to be, a victim of domestic violence, sexual assault or stalking or requests a reasonable accommodation in accordance with this policy.

Employees who have questions about this policy or who wish to request a reasonable accommodation under this policy should contact their Human Resources representative.

# M. Procedure for Reporting Harassment or Discriminatory Treatment.

#### 1. Reporting

Any unwelcome behavior which is considered harassment, sexual or otherwise, or which the employee believes constitutes discrimination, must be reported to the employee's supervisor immediately. If the unwelcome behavior which the employee considers to be harassment or discrimination involves the employee's supervisor, the employee shall report his or her concern to the next level supervisor in the employee's chain of supervision. If the report concerns sexual harassment, the employee may request that a person of the same gender be designated to receive the report from the employee. Information reported concerning an employee's claim of sexual harassment will be treated confidentially and disclosed only to those with a "need to know". An employee will not be subject to

any retaliatory action as a result of reporting conduct that the employee considers to be harassment or discrimination.

#### 2. Investigation

Once a complaint of harassment or other unwelcome conduct has been reported the complaint will be investigated immediately by the Company. The complaining party, the accused, and any witnesses will be interviewed separately to establish the facts of the situation.

#### 3. Resolution

After the facts have been determined, both the employee who brought the complaint and the employee accused of harassment or discrimination will be advised of the results of the investigation by the Company.

If the investigation substantiates the complaint, appropriate disciplinary action will be initiated.

# N. Non-Discrimination Against and Accommodation of Individuals with Disabilities.

It is the policy and practice of the Company to comply with the Americans With Disabilities Act and all applicable state and local laws providing for non-discrimination in employment against qualified individuals with disabilities. The Company also provides reasonable accommodation for such individuals in accordance with the laws.

# **O.** Procedure for Employees to Request Accommodation.

Qualified individuals with disabilities may make requests for reasonable accommodation(s) to the Company's President. All such requests shall be in writing. Upon receipt of an accommodation request, the President will meet with the requesting individual to discuss and identify the precise limitations(s) resulting from the employee's claimed disability and the potential accommodations that the Company might make to help overcome those limitation(s), and, if necessary, other Company representatives identified as having a need to know, will determine the feasibility of the requested accommodation, considering various factors, including, but not limited to, the nature and cost of the accommodation, the availability of tax credits and deductions, outside funding, the facility's overall financial resources and organization, and the accommodation's impact on the operation of the Company's ability to conduct its business.

The employee requesting accommodation will be informed of the Company's decision on the accommodation request within a reasonable period of time.

# P. Communication/Open-Door Policy.

The Company's management has an open-door policy regarding all employees. Communication is extremely important in running a successful business and therefore is encouraged by the Company.

# Q. Reference Inquiries.

So that the Company can handle requests for job references in a consistent, fair and lawful manner, all requests for job references should be forwarded to Human Resources. In response to job reference requests, the Company will only confirm current or former employees' dates of employment and job title. If an employee or former employee submits written authorization, the Company will also provide information regarding salary or wage history.

# **R.** Alcohol Policy

Serving alcohol is a privilege granted to the Company by the community, therefore it is our responsibility to serve alcohol in a manner that it does not cause harm to the individual or the community. It is the Company's policy that no minor or visibly intoxicated person shall be served alcoholic beverages. Employees must card anyone ordering an alcoholic beverage that does not appear to be over the age of 40. Serving under aged and intoxicated persons is unlawful and can have criminal penalties. It is the responsibility of every team member and manager involved with serving alcohol to be familiar with the signs of intoxication and the liabilities associated with serving alcohol. Alcohol serving responsibilities are generally defined as, but not limited to: thoroughly inspecting proper identification, ensuring minors are not served alcohol on the premises, monitoring for over-consumption, and prohibiting the serving of alcohol to any guest who is visibly intoxicated. Team members who violate alcohol serving responsibilities will be terminated immediately.

# 3

# COMPENSATION POLICIES AND WORK SCHEDULES

# A. Classifications of Employment.

For purposes of salary administration and eligibility for overtime payments and employee benefits, the Company classifies its employees as follows:

#### 1. Probationary Employees

All new employees of the Company shall be considered probationary employees for the probationary period. The probationary period for all new employees is 90 days.

During the probationary period, each new employee of the Company will be closely monitored. During this time, the new employee's supervisor will work closely with the employee to assist the employee in learning his or her job. The employee's supervisor will have an opportunity to observe the employee's aptitude and attitude on the job, along with the employee's records if attendance and punctuality. An employee who is retained by the Company after the probationary period shall become a regular employee of the Company immediately upon the conclusion of the probationary period.

Successful completion of the probationary period shall not change any employee's status as an at-will employee.

# 2. Full-Time Regular Employees

A full-time regular employee is one who has satisfactorily completed his or her probationary period and who works a 40-hour work week on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below. Full-time regular employees share in the Company's benefits as set forth herein.

# 3. Part-Time Regular Employees

A part-time regular employee is one who has satisfactorily completed his or her probationary period and who works less than 32 hours per week on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below. Part-time regular employees are not entitled to share in the employment benefits provided by the Company (such as those benefits described in the handbook) unless it is expressly stated herein or in other written statements issued and signed by an authorized representative of the Company.

#### 4. Temporary Employees

Temporary employees are employees who work either full or part-time. Such employees are engaged by the Company for a specific period of time (such as summer) or for a specific project. Such employees may be "exempt" or "non-exempt" as defined below.

Temporary employees are not entitled to share in the benefits of employment provided by the Company unless it is expressly stated herein or in a written statement issued and signed by an authorized representative of the Company.

#### 5. Exempt and Non-Exempt Employee Classifications

The employee will be informed of his or her initial employment classification and status as an exempt or non-exempt employee when hired. If the employee changes positions as a result of promotion or otherwise, the employee will be informed of any change to his or her exemption status.

#### a) Exempt Employees

Exempt employees are employees who are not required to be paid overtime in accordance with applicable federal or state wage and hour laws for work performed beyond 40 hours in a work week or beyond 8 hours in a workday. Executives, professional employees, managers, supervisors, outside sales representatives, and certain employees in administration positions are typically exempt where all the requirements of the Fair Labor Standards Act are met. For example, managers and administrators who are paid on a salary basis, whose primary function is connected with the management or supervision of a facility and/or at least two employees of the facility and who routinely exercise business discretion which affects the day to day management and supervision of the business or facility are typically exempt.

# b) Non-Exempt Employees

Non-exempt employees are those who are required to be paid overtime at the rate of time and one half  $(1\frac{1}{2})$  times their regular rate of pay for all hours worked beyond 40 hours in a work week in accordance with applicable federal and state wage and hour laws. Examples of employees who are typically non-exempt include those employees whose primary duties consist of ministerial duties or manual labor, who are paid by the hour or shift and who have little or no say in the management of the business or the facility where they work. Waiters, waitresses, bus staff, and bar staff, whose primary duties are to provide customer service, are typically nonexempt.

# B. Questions Regarding Employment Classification.

Employees should direct any questions regarding their employment classification or exemption status to the Company's President.

# C. Work Hours

In the restaurant business, there are no standard hours. Rather, customers dictate the kinds of restaurant locations and hours that the Company operates. Accordingly, each employee's working hours and schedule will be established either by the General Manager or Supervisor of the restaurant facility where the employee works, as set forth in Paragraph D hereafter, or by the Company management.

# D. Preparation and Posting of Work Schedules.

Each employee who is attending school while working for the Company must complete and submit an Availability Form, which is provided by the Company, to his or her immediate supervisor at the beginning of each school semester or quarter. The work schedule for the period encompassing the semester or quarter shall then be prepared by the Company based on the availability of each employee submitting an Availability Form for that period. Once the schedule for a particular period has been prepared, any change in an employee's availability as a result of school must be submitted in writing to the employee's immediate supervisor and is subject to the approval of the General Manager of the restaurant facility where the employee works.

Weekly work schedules for all restaurant employees will be posted on Saturday by 7:00 p.m. for the following work week. You are responsible for your schedule and for being present and on time for all of your scheduled shifts. If you are unable to work a scheduled shift, you must arrange for a qualified employee to cover for you, and you must obtain approval of the arrangement from the General Manager or Supervisor of the restaurant facility where you work. All changes in the personnel schedule for a particular shift are to be recorded in the appropriate work transfer book and initialed by the employees effecting the change and the manager responsible for the shift.

# E. On-Call Shifts.

An on-call shift may be scheduled for some staff positions. If you are scheduled for the on- call shift, you are required to call into the Company at 9:00 a.m. for the A.M. on-call shift, and at 2:00 p.m. for the P.M. on-call shift. When calling in for the on-call shift, you must speak only to the manager on duty. He or she is the only person authorized by the Company to release you from the on-call shift. On-call shifts should be treated by you as a regular scheduled shift, so that you cannot pick up a shift for another employee if you are already scheduled for the on-call shift. You may be subject to disciplinary action if you fail to call in or if you call in late when scheduled for the on-call shift.

# F. Calling in Sick.

All restaurant staff, in the event of illness, must call in, if practicable, to notify the Company that they are sick at least four (4) hours prior to the start of their scheduled shift, or by 9:00 p.m. on the day of their next scheduled shift, if such shift is an A.M. shift. Employees calling in sick shall report their illness only to a Company manager. In the event an employee calls in after 9:00 p.m. for an A.M. shift or, for all other shifts, less than four (4) hours prior to the start of the shift, a doctor's excuse must be presented to the Company before the employee may return to work. A Doctor's excuse will also be required by the Company after an employee misses a total of two (2) shifts in a calendar year as a result of illness.

# G. Break Periods.

All breaks are to be coordinated and scheduled with the manager responsible for the shift.

# H. Recording of Work Hours.

#### 1. General Policy

It is the policy of the Company to comply with all applicable laws that require records to be maintained of the hours worked by employees. To ensure that accurate records are kept of the actual hours an employee work and to ensure that the employee is paid in a timely manner, each non-exempt employee of the Company will be required to key or punch in and out on the Company's computerized time system at such employee's work facility at the start and end of each shift. Any handwritten notations will not be valid without written verification by the immediate supervisor.

All employees that key in and out on the time system are required by the Company to be in uniform and ready for work before keying in for their shift and may not change out of uniform at the end of their shift until after they have clocked out.

Employees should clock out immediately after their shift, but not before they have completed all of their closing duties and are checked out by a supervisor.

No employee may key or punch in or out on the time system for any other employee.

#### 2. Falsification of Time Records Prohibited

Please ensure that actual hours worked and leave time taken are recorded accurately. Falsification of a time record is a breach of Company policy and is grounds for disciplinary action, including the possibility of immediate dismissal.

# I. Regular Pay Procedures.

# 1. Two-Week Pay Period

The Company's pay period is two weeks, beginning on Monday and ending on Sunday of the following week. Employees are paid every two weeks and may pick up their paychecks for

each pay period beginning on the second Monday (i.e. 5 days) following the close of the pay period.

Employees must pick up their paychecks after 5:00 p.m. and sign the Company's paycheck sheet for that pay period. Employees are not permitted to sign for or pick up a check other than their own.

Each employee should carefully examine his or her paycheck upon receipt and immediately notify his or her manager of any discrepancies.

# 2. Payroll Deductions

As required by law, the Company must make certain deductions from employee paychecks, including those for federal, state and city taxes as well as Social Security. Other deductions can only be made at the employee's specific request and with his or her authorized signature. In certain instances, payroll deductions also may be made from an employee's paycheck for the replacement cost of lost, destroyed or unreturned Company or Airport property.

# a.) Reporting Errors and Obtaining More Information

If any employee, exempt or nonexempt, has questions about deductions from his or her pay, believes he or she has been subjected to improper deductions or believes that the amount paid does not accurately reflect the employee's total hours worked or salary, please contact Human Resources, a supervisor or the Payroll department.

Every report will be fully investigated, and the Company will provide the employee with any compensation to which the employee is entitled in a timely fashion.

The Company complies with California and federal law, and will not allow any form of retaliation against individuals who make good-faith reports of alleged violations of this policy, or who cooperate in an investigation by the Company, even if the reports do not reveal any errors or wrongdoing.

# 3. Wage Attachments

In the event the Company is served a notice of garnishment or a wage assignment of an employee's earnings, the employee will be informed by copy of the notice. The Company is required by law to comply with wage garnishments and wage assignments until an official notification of release is received.

# 4. Tip Reporting and Tip Share

All employees receiving tips must report one hundred per cent (100%) of those tips for federal and state tax purposes. This includes all wait, bar and bus staff of the Company. Falsification of tip records is grounds for immediate dismissal.

#### 5. Training Wages

All restaurant employees of the company will be required to participate in training time when they are hired so that they will feel comfortable in their jobs. During such training, all wait staff will receive minimum wage. Kitchen staff will receive the wage rate agreed on at the time they were hired.

#### 6. General Overtime Policies

There are occasions when an employee will be required to work overtime. Subject to the requirements of applicable laws, the Company reserves the right to require its employees (except minor employees) to work overtime if necessary, at the Company's sole discretion. If possible, advance notice will be given.

#### 7. Overtime Pay for Non-Exempt Employees

If an employee is classified as a non-exempt employee, he or she will receive compensation for approved overtime work as indicated below.

#### a) Employees 18 or older

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime. Nonexempt employees will be paid one and one-half times their regular rate of pay for all hours worked in excess of 40 hours in any workweek, for all hours worked in excess of eight hours up to and including 12 hours in any workday and for the first eight hours worked on the seventh consecutive day of work in a workweek. Additionally, employees will be paid double their regular rate of pay for all hours worked in excess of 12 hours in any workday and for all hours worked in excess of eight hours on the seventh consecutive day of work in a workweek. Paid time off such as sick pay, holiday pay and vacation pay will not count toward hours worked for the purpose of determining overtime pay.

All overtime work must be authorized in advance by the employee's supervisor. Working overtime without prior authorization may result in disciplinary action.

Exempt employees are expected to work as much of each workday as is necessary to complete their job responsibilities. No overtime or additional compensation is provided to exempt employees.

For overtime pay calculation purposes, the workday begins at **12:00am** and ends at **11:59pm**. The workweek begins on **Monday** and ends on **Sunday**.

#### b) Employees under age 18

In most cases, employees under 18 years of age are not allowed to work more than 8 hours in a workday or 40 hours in a workweek, except in the case of an emergency. In those emergency situations where these hours are exceeded, overtime shall be paid at the rate of one

and one-half  $(1\frac{1}{2})$  times regular pay for work in the same store. However, if you are under 18 and are asked to perform overtime work, notify your manager immediately.

# 8. Time for Payment of Overtime Pay

An employee entitled to overtime pay will normally receive payment for such overtime in the paycheck available for pick up beginning on the second Monday following the close of the pay period in which the overtime was worked.

# J. Bonus Pay Procedures

At times, the Company may elect to offer bonus programs to select employees in order to achieve certain Company objectives. These programs will be offered at the sole discretion of the Company and in no way constitute an employment contract. Bonus payouts may be subject to tax withholdings and pay out dates will be determined by the specific program details. At any time and without notice, the Company can choose to modify, or revise bonus programs as determined by the Company's priorities. To be eligible for any bonus payout, an employee must be currently employed with the Company on the date the bonus is to be paid out.

# K. Payroll Advance Policy

# Purpose

The company does not encourage payroll advances to its team members and is not obligated to provide payroll advances. However, in certain exceptional and emergency circumstances, Management may decide to provide a payroll advance to team members to help them manage their financial needs for medical or personal emergencies. "Payroll Advance" refers to team members receiving a portion of their pay before their next normal payday.

# Scope

The policy is applicable to all full time or part time team members of Mission Yogurt, Smokin' Bear, and Que Bueno Mexican Grille across all locations and regardless of position.

# Eligibility

- 1. Team members must have been employed with the Company a minimum of 6 consecutive months prior to requesting a payroll advance.
- 2. Have not taken any other company sponsored loan
- 3. Have not asked for a payroll advance in the past 6 months
- 4. The team member can not be on an active Performance Improvement Plan or disciplinary warning at the time of request

These eligibility requirements apply to all eligible team members without discrimination against protected characteristics, rank, or position.

#### **Advance Amount**

Depending on the financial need the salary advance may vary but will not exceed more than eightypercent (80%) of the earnings the team member has already earned at the time of request.

#### Repayment

The advance shall be paid back by an automatic payroll deduction from the team member's future paycheck. The repayment terms must be in writing and signed by the team member. Repayment terms will comply with the law if it places restrictions on the deductible amount or if it prohibits paycheck deductions altogether.

- 1. The Company may deduct the full amount from the team member's next paycheck or
- 2. The advance can be repaid in installments out of several future paychecks
  - For loans up to \$250, two installment payments will be provided
  - For loans \$251 to \$500, three installment payments will be provided
  - For loans \$501 to \$750, four installment payments will be provided
- 3. The first deduction shall start from the next payroll cycle following the advance
- 4. No interest shall be charged on the Advance Amount.

If a team member resigns or is terminated before they repay their payroll advance the team member is responsible for continuing to make payment based on the terms agreed upon by the team member and the Company. The team member is responsible for any legal fees incurred by the company when attempting to collect the balance owed for the payroll advance.

#### **Application Process**

A written email request should be sent by the team member to the operations manager. The operations manager will verify need, eligibility, and give approval. The operations manager will forward their approval to payroll/HR to confirm eligibility and get final approval from the Executive team. All payroll advances must be approved by the Executive team. All decisions will be made within 3 business days of receiving the request. If the request is approved, HR/payroll will create an agreement form on the payroll advance and the repayment terms. This agreement must be signed by the team member before receiving the payroll advance. The company reserves the right to amend the policy.

Nothing in this policy is to be construed as an express or implied contract of employment or as altering your status as an employee at will.

# L. Performance Evaluations.

To ensure that you perform your job to the best of your abilities, it is important that you be recognized for good performance and that you receive appropriate suggestions for improvement when necessary. Consistent with this goal, your performance will be evaluated by your supervisor on an on-going basis and you will receive written performance evaluations on a periodic basis. All written performance reviews will be based on your overall performance in relation to your job responsibilities and will also consider your conduct, demeanor, record of attendance and tardiness and adherence to all company policies. Merit raises, if warranted based on your performance review, will be given at the time of the review. Employees may be eligible for their first review after three (3) months of continuous service.

# M. Company Meetings

Meetings are held periodically for the benefit of the Company and its employees. When a meeting is scheduled, attendance is mandatory, and all employees will be paid at least minimum wage for the time spent in attendance at the meeting. Company meetings will start on time. Therefore, please arrive early. Company uniforms are not mandatory, however professional business appearance and attire are required.

# 4

# TIME OFF BENEFITS

The Company will grant a leave of absence to all employees (who meet the requirements described below) for the care of a child after birth or adoption or placement with the employee for foster care, the care of a covered family member (spouse, child, or parent) with a serious health condition, or in the event of an employee's own serious health condition. Therefore, the Company provides time off - both paid and unpaid - to eligible employees for the following situations:

- Vacation;
- Paid Sick and Safe Time;
- Personal Leave;
- Family and Medical Leave;
- Pregnancy and Pregnancy-Related Disabilities Leave and Accommodation;
- Family Military Leave;
- Bereavement Leave;
- Military Leave;
- Jury and Witness Duty Leave;
- Voting Leave;

# A. Vacation Policy

#### 1. Eligibility for Managers

Full time Managers are eligible for 5 days of paid vacation per year (40 hours). Vacation time accrues at a rate of 3 1/3 hours per month of continuous employment. After you become eligible for vacation leave with the Company, you may use your accrued vacation time at any point during the year. However, vacation time must be submitted in advance, no later than 1 month prior to the requested dates. Vacation time is subject to approval from executive management and is determined by operational needs.

You may carry over vacation time beyond your next anniversary date. In other words, if you do not use your accrued vacation time, you will not lose it by the next anniversary date.

#### 2. Eligibility for all Other Employees

All other employees are eligible for time off for vacation without pay as needed after 6 months of service.

#### 3. Vacation Carryover

After you become eligible for vacation leave with the Company, you may use your accrued vacation time at any point during the year. You may carry over vacation time beyond your next anniversary date.

#### 4. Pay in Lieu of Vacation

Employees are required to take their earned vacation. Payments can be made in lieu of taking vacation, only with prior arrangements and written agreement with employee and management.

#### 5. Vacation Scheduling

Vacation leave may be taken in consecutive days and must be approved in advance. All requests for vacation leave must be made in writing to your immediate supervisor at least 30 days in advance of the day for which leave is requested. Requests for vacation leave are subject to the operational needs of the Company and the approval of the General Manager of the Company. Vacation leave cannot and will not be granted during peak operational periods.

# 6. Vacation for Terminating Employees

Every employee terminating their employment voluntarily or involuntarily with the Company is entitled to payment for all earned (i.e., accrued), but unused vacation time, calculated on a pro rata basis.

# B. Paid Sick and Safe Time (Lump Sum Method)

The Company provides paid sick and safe time to eligible employees in compliance with California's Healthy Workplaces, Healthy Families Act (HWHFA).

# a) Eligibility

Employees (including full-time, part-time and temporary employees) become eligible for paid sick and safe time once they have worked in California for the Company for 30 days within a year from the start of employment.

Employees may begin to use granted paid sick and safe time beginning on their 90th day of employment. Employees who have been employed by the Company for at least 90 days prior to becoming eligible for paid sick and safe time may use such leave immediately upon receipt.

#### b) Annual Grant of Paid Sick and Safe Time

Eligible employees were granted paid sick and safe time on July 1, 2015, or upon the first day of employment, whichever is later.

Eligible employees are provided with the greater of 40 hours or the equivalent of five days (based on the employee's work schedule) each year of employment. Employees who start employment mid-way through the year (e.g., sometime after January 1, but before December 31) will receive their 40 hours or five days, whichever is greater, of sick and safe time for use in the first partial year of employment. Thereafter, on January 1 of each subsequent year, the year will reset and employees will receive 40 hours or five days for use in the current year.

Paid sick and safe time may be used in increments of minimum time of 2 hours or greater to cover all or just part of a workday.

Employees are not required to find an employee to cover their work when they take paid sick and safe time.

#### c) Reasons Sick and Safe Time May be Used

Employees may use paid sick and safe time for themselves and their family members:

- For diagnosis, care or treatment of an existing medical condition; and
- For preventive care.

Employees may also use paid sick and safe time if the employee is a victim of domestic violence, sexual assault or stalking and time off is needed to:

- Obtain or attempt to obtain any relief (e.g., a temporary restraining order, restraining order or other injunctive relief) to help ensure the health, safety or welfare of the victim or his or her child;
- Seek medical attention for injuries caused by domestic violence, sexual assault or stalking;
- Obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence, sexual assault or stalking;
- Obtain psychological counseling related to an experience of domestic violence, sexual assault or stalking; or
- Participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault or stalking, including temporary or permanent relocation.

For purposes of this policy, "family members" include a:

- Spouse;
- Biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands *in loco parentis*;

- Biological, adoptive or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in *loco parentis* when the employee was a minor child;
- Sibling;
- Grandparent or grandchild; and
- Registered domestic partner (as defined by state or local law), as well as the child or parent of a registered domestic partner.

The definition of "child" applies irrespective of a child's age or dependency status.

# d) Requesting Paid Sick and Safe Time

When the need for paid sick and safe time use is foreseeable, employees must provide reasonable advance written notice to their supervisor for any absence from work. If the need for paid sick and safe time is unforeseeable, employees must provide notice to their supervisor of the need to use the time as soon as practicable. In all circumstances, employees must specify that the requested time off is for sick or safe time reasons (as opposed to, for example, vacation time), so that the absence may be designated accordingly. Failure to obtain approval as soon as possible after determining the need to take such time may result in discipline.

# e) Rate of Pay for Sick and Safe Time

For nonexempt employees, pay for sick and safe time is calculated in the same manner as the employee's regular rate of pay for the workweek in which the employee uses sick and safe time, regardless of whether the employee works overtime in that workweek. For exempt employees, payment for sick and safe time is calculated in the same manner as wages are calculated for other forms of paid leave time.

# f) Separation from Employment

Compensation for accrued and unused sick and safe time is not provided upon separation from employment for any reason. If an employee is rehired by the Company within 12 months of separation from employment, previously granted but unused sick and safe time will immediately be reinstated (up to the maximum of 40 hours or the equivalent of five days (per the employee's previous work schedule)). Rehired employees will be allowed immediate use of this time and to receive additional paid sick days upon rehiring, consistent with the limitations of this policy.

# g) Confidentiality

The Company will keep confidential the health information of the employee or employee's covered family member, as well as information related to domestic violence perpetrated against or sexual assault of the employee or employee's covered family member. Such information will not be disclosed except to the affected employee or as required by law.

# h) Effect on Other Rights and Policies

The Company may provide other forms of leave for employees to care for medical conditions or for issues related to domestic violence under certain federal, state and municipal

laws. In certain situations, leave under this policy may run at the same time as leave available under another federal, state or municipal law, provided eligibility requirements for that law are met. The Company is committed to complying with all applicable laws. Employees should contact their Human Resources representative for information about other federal, state and municipal domestic violence, medical or family leave rights.

#### i) No Discrimination or Retaliation

The Company prohibits discrimination and/or retaliation against employees for requesting or using paid sick and safe time for authorized circumstances, for making a complaint or for informing a person about a suspected violation of this policy. Likewise, the Company prohibits discrimination and/or retaliation for cooperating with city or state officials in investigating claimed violations of any paid sick leave law (including the HWHFA); cooperating or participating in any investigation, administrative hearing or judicial action regarding an alleged violation; opposing any policy or practice that is prohibited by any paid sick leave law; or informing any person of his or her potential rights under the law.

# C. Personal Leaves for Employees Who do not Qualify under the Family and Medical Leave

Employees who have less than one year of service and/or have not worked a minimum of 1,250 hours during the preceding twelve-month period may request leaves of absence to care for a child after birth, adoption or placement in the employee's home for foster care, for the employee's own serious health condition, or for a spouse, child or parent's serious health condition subject to the following terms and conditions:

- 1. Leave requests must be made at least thirty (30) days in advance of the date the employee would like the leave to begin or, in emergency situations, with as much advance notice as is practicable.
- 2. The certification requirements and the conditions for the required use of accrued time off, benefits accrual, and continuation of group health insurance during leave set forth above with regard to employees who qualify for leave under the Family and Medical Leave Act apply to all leave requests.
- 3. Unless applicable state or local law requires otherwise, leaves will be limited to a 30- day maximum duration except leaves for the employee's own serious health condition, which may be granted for up to a twelve-week period and which may be taken intermittently.
- 4. Unless applicable state or local law requires otherwise, reinstatement will not be guaranteed to any employee requesting leave hereunder; however, the Company will endeavor to place employees returning from leave in their former position or in a position comparable in status and pay subject to budgetary restrictions, the Company's need to fill vacancies, and its ability to find qualified temporary replacements.

All questions regarding family and medical leaves of absence should be directed to the Human Resources department

# **D.** Family and Medical Leave

The Company will grant family and medical leave in accordance with the requirements of applicable federal and state law in effect at the time the leave is granted. Although the federal and state laws have different names, the Company refers to the federal Family and Medical Leave Act (Fed-FMLA) and the California Family Rights Act (CFRA), collectively referred to as "FMLA Leave." In any case, employees will be eligible for the most generous benefits available under applicable law.

# a) Employee Eligibility

To be eligible for FMLA Leave, employees must: (1) have been employed by the Company for a total of at least 12 months (52 weeks), at any time prior to the commencement of the leave; (2) have worked at least 1,250 hours over the previous 12 months as of the start of the leave; and (3) have worked at a location where at least 50 employees are employed by the Company within 75 miles of the employee's worksite, as of the date the leave is requested. Eligibility requirements may differ for employees who have been on a protected military leave of absence. If employees are unsure whether they qualify for FMLA Leave, they should contact Human Resources.

#### b) Reasons for Leave

Federal and state laws allow FMLA Leave for various reasons. Because employees' legal rights and obligations may vary depending upon the reason for the FMLA Leave, it is important to identify the purpose or reason for the leave. Fed-FMLA leave and CFRA leave run concurrently except for the following reasons: to care for a registered domestic partner or a child of a registered domestic partner (CFRA only), incapacity due to pregnancy or prenatal care as a serious health condition (Fed-FMLA only), qualifying exigency leave (Fed-FMLA only) and military caregiver leave (Fed-FMLA only). Additionally, CFRA coverage for an employee's own serious health condition that also constitutes a disability under the California's Fair Employment and Housing Act (FEHA) is separate and distinct from FEHA protections. If the employee cannot return to work at the expiration of the CFRA leave, the Company will work with the employee to determine whether an extension of the leave would be a reasonable accommodation under the FEHA.

FMLA Leave may be used for one of the following reasons:

- The birth, adoption or foster care of an employee's child within 12 months following birth or placement of the child (Bonding Leave);
- To care for an immediate family member (spouse, registered domestic partner, child, child of a registered domestic partner or parent) with a serious health condition (Family Care Leave);
- An employee's inability to work because of a serious health condition (Serious Health Condition Leave);

- A "qualifying exigency," as defined under the FMLA, arising from a spouse's, child's or parent's "covered active duty" as a member of the military reserves, National Guard or Armed Forces (Qualifying Exigency Leave); or
- To care for a spouse, child, parent or next of kin (nearest blood relative) who is a "Covered Servicemember" (Military Caregiver Leave).

# c) Definitions

- "Child," for purposes of Bonding Leave and Family Care Leave, means a biological, adopted or foster child; a stepchild; a legal ward; or a child of a person standing in *loco parentis*, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability at the time that FMLA Leave is to commence. "Child," for purposes of Qualifying Exigency Leave and Military Caregiver Leave, means a biological, adopted or foster child; stepchild; legal ward; or a child for whom the person stood in *loco parentis*, and who is of any age.
- "Parent," for purposes of this policy, means a biological, adoptive, step or foster father or mother, or any other individual who stood in *loco parentis* to the person. This term does not include parents-in-law. For Qualifying Exigency Leave taken to provide care to a parent of a deployed military member, the parent must be incapable of self-care as defined by the FMLA.
- "Covered Active Duty" means (1) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (2) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty (or notification of an impending call or order to active duty) in support of a contingency operation as defined by applicable law.
- "Covered Servicemember" means (1) a member of the Armed Forces, including a member of a reserve component of the Armed Forces, who is undergoing medical treatment, recuperation or therapy; is otherwise in outpatient status; or is otherwise on the temporary disability retired list, for a serious injury or illness incurred or aggravated in the line of duty while on active duty that may render the individual medically unfit to perform his or her military duties; or (2) a person who, during the five years prior to the treatment necessitating the leave, served in the active military, Naval or Air Service, and who was discharged or released under conditions other than dishonorable (a "veteran" as defined by the Department of Veteran Affairs), and who has a qualifying injury or illness incurred or aggravated in the line of duty while on active duty that manifested itself before or after the member became a veteran. For purposes of determining the five-year period for covered veteran status, the period between October 28, 2009, and March 8, 2013, is excluded.
- "Spouse" means a husband or wife. Husband or wife refers to the other person with whom an individual entered into marriage as defined or recognized under state law in the state in which the marriage was entered into or, in the case of a marriage entered into outside of any state, if the marriage is valid in the place where entered into and could have been entered into in at least one state. This definition includes an individual in a same-sex or common law marriage that either (1) was entered into in a state that recognizes such marriages; or (2) if entered into outside of any state, is valid in the place where entered into and could have been entered into in at least one

state. For purposes of CFRA leave, a spouse includes a registered domestic partner or a same-sex partner in marriage.

- "Key employee" means a salaried FMLA Leave eligible employee who is among the highest paid 10 percent of all the employees employed by the employer within 75 miles of the employee's worksite at the time of the FMLA Leave request.
- "Serious health condition" means an illness, injury, impairment or physical or mental condition that involves either:
- Inpatient care (including, but not limited to, substance abuse treatment) in a hospital, hospice or residential medical care facility, including any period of incapacity (that is, inability to work, attend school or perform other regular daily activities) or any subsequent treatment in connection with this inpatient care; or
- Continuing treatment (including, but not limited to, substance abuse treatment) by a health care provider that includes one or more of the following:
- A period of incapacity (that is, inability to work, attend school or perform other regular daily activities due to a serious health condition, its treatment or the recovery that it requires) of more than three consecutive calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves treatment two or more times via an in-person visit to a health care provider, or at least one visit to a health care provider that results in a regimen of continuing treatment under the supervision of the health care provider.
- Any period of incapacity due to pregnancy or prenatal care (under the Fed-FMLA, but not the CFRA).
- Any period of incapacity or treatment for incapacity due to a chronic serious health condition that requires periodic visits to a health care provider, continues over an extended period of time and may cause episodic incapacity.
- A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective, such as Alzheimer's, a severe stroke and the terminal stages of a disease.
- Any period of absence to receive multiple treatments (including any period of recovery) by a health care provider either for (a) restorative surgery after an accident or other injury; or (b) a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

"Serious injury or illness" in the case of a current member of the Armed Forces, National Guard or Reserves is an injury or illness incurred by a covered servicemember in the line of duty on active duty (or that preexisted the member's active duty and was aggravated by service in the line of duty on active duty) in the Armed Forces that may render him or her medically unfit to perform the duties of his or her office, grade, rank or rating. In the case of a covered veteran, "serious injury or illness" means an injury or illness that was incurred in the line of duty on active duty (or existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty) and that manifested itself before or after the member became a veteran.

"Qualifying exigency" is defined by the Department of Labor and generally includes events related to short-notice deployment, military ceremonies, support and assistance programs, changes in childcare, school activities, financial and legal arrangements, counseling and post-deployment activities. Qualifying Exigency Leave may also be used to spend up to 15 days with military members who are on short-term, temporary, rest and recuperation leave during their period of deployment.

#### d) Length of Leave

If the reason for leave is common to both Fed-FMLA and CFRA and, therefore, running concurrently, the maximum amount of FMLA Leave will be 12 workweeks in any 12-month period when the leave is taken for: (1) Bonding Leave; (2) Family Care Leave; and (3) Serious Health Condition Leave. If the reason for leave is not common to both Fed-FMLA and CFRA and, therefore, not running concurrently, then an eligible employee may be entitled to additional leave under applicable law.

When the reason for leave is Bonding Leave under either the Fed-FMLA or CFRA and both spouses (Fed-FMLA) or both parents (CFRA) work for the Company and are eligible for leave under this policy, the spouses or parents, as applicable, will be limited to a total of 12 workweeks off between the two of them. However, the Company will not limit the employees' entitlement to CFRA for any qualifying reason other than Bonding Leave. When the reason for leave is Family Care Leave and both spouses work for the Company and are eligible for leave under this policy, the spouses will be limited to a total of 12 workweeks off between the two of them under Fed-FMLA. The applicable "12-month period" utilized by the Company is the year starting on an employee's anniversary date. Under this method the 12-month period begins each anniversary date of the employee

The maximum amount of Fed-FMLA Leave for an employee wishing to take Military Caregiver Leave will be a combined leave total of 26 workweeks in a single 12-month period. A "single 12-month period" begins on the date of the employee's first use of such leave and ends 12 months after that date.

If both spouses work for the Company and are eligible for leave under this policy, the spouses will be limited to a total of 26 workweeks off between the two when the leave is for Military Caregiver Leave only or is for a combination of Military Caregiver Leave, Bonding Leave and/or Family Care Leave taken to care for a parent.

To the extent required by law, leave beyond an employee's FMLA Leave entitlement may continue or be granted when the leave is necessitated by an employee's work-related injury or illness, a pregnancy-related disability or a "disability" as defined under the Americans with Disabilities Act (ADA) and/or applicable state or local law. Certain restrictions on these benefits may apply.

#### e) Intermittent or Reduced Schedule Leave

Under some circumstances, employees may take FMLA Leave intermittently, which means taking leave in blocks of time or reducing the employee's normal weekly or daily work schedule. An employee may take leave intermittently or on a reduced schedule whenever it is medically necessary to care for the employee's child, parent or spouse with a serious health condition or because the employee has a serious health condition. The medically necessity of the leave must be determined by the health care provider of the person with the serious health condition.

Intermittent or reduced schedule leave may also be taken for absences where the employee or his or her family member is incapacitated or unable to perform the essential functions of the job because of a chronic serious health condition, even if the person does not receive treatment by a health care provider. Leave due to military exigencies may also be taken on an intermittent basis.

Leave taken intermittently may be taken in increments of no less than 1 hour. Employees who take leave intermittently or on a reduced work schedule basis for planned medical treatment must make a reasonable effort to schedule the leave so as not to unduly disrupt the Company's operations. Please contact Human Resources prior to scheduling medical treatment. If FMLA Leave is taken intermittently or on a reduced schedule basis due to planned medical treatment, we may require employees to transfer temporarily to an available alternative position with an equivalent pay rate and benefits, including a part-time position, to better accommodate recurring periods of leave.

If an employee using intermittent leave or working a reduced schedule finds it physically impossible to start or stop work mid-way through a shift in order to take CFRA leave and is therefore forced to be absent for the entire shift, the entire period will be counted against the employee's CFRA entitlement. However, if there are other aspects of work that the employee is able to perform that are not physically impossible, then the employee will be permitted to return to work, thereby reducing the amount of time to be charged to the employees' CFRA entitlement.

# f) Notice and Certification

Bonding, Family Care, Serious Health Condition and Military Caregiver Leave Requirements

Employees are required to provide:

- When the need for the leave is foreseeable, 30 days' advance notice or such notice as is both possible and practical if the leave must begin in fewer than 30 days (normally this would be the same day the employee becomes aware of the need for leave or the next business day);
- When the need for leave is not foreseeable, notice within the time prescribed by the Company's normal absence reporting policy, unless unusual circumstances prevent compliance, in which case notice is required as soon as is otherwise possible and practical;
- When the leave relates to medical issues, a completed Certification of Health Care Provider form within 15 calendar days (for Military Caregiver Leave, an invitational travel order or invitational travel authorization may be submitted in lieu of a Certification of Health Care Provider form);
- Periodic recertification (as allowed by law); and
- Periodic reports during the leave.

In addition to other notice provisions, employees requesting leave for CFRA qualifying reasons, must respond to any questions designed to determine whether an absence is potentially

qualifying for leave under this policy. Failure to respond to permissible inquiries regarding the leave request may result in denial of CFRA Leave protections. Similarly, an employee or the employee's spokesperson may be required to provide additional information needed to determine whether a requested leave qualifies for Fed-FMLA protections. An employee's failure to adequately explain the reason for the leave may result in the denial of Fed-FMLA protections.

Certification forms are available from Human Resources. At the Company's expense, we may require a second or third medical opinion regarding the employee's own serious health condition for Fed-FMLA purposes and, for CFRA purposes, the employee's own serious health condition or the serious health condition of an employee's family member. In limited cases, we may require a second or third opinion regarding the injury or illness of a Covered Servicemember. Employees are expected to cooperate with the Company in obtaining additional medical opinions that we may require.

When leave is for planned medical treatment, employees must try to schedule treatment so as not to unduly disrupt the Company's operation. Please contact Human Resources prior to scheduling planned medical treatment.

If an employee does not provide the certification as requested, the FMLA Leave will not be protected.

#### g) Recertification After Grant of Leave

In addition to the requirements listed above, if an employee's Fed-FMLA leave is certified, the Company may later require medical recertification in connection with an absence that the employee reports as qualifying for Fed-FMLA leave. For example, the Company may request recertification if (1) the employee requests an extension of leave; (2) the circumstances of the employee's condition as described by the previous certification change significantly (e.g., employee absences deviate from the duration or frequency set forth in the previous certification; employee's condition becomes more severe than indicated in the original certification; employee encounters complications); or (3) the Company receives information that casts doubt upon the employee's stated reason for the absence. In addition, the Company may request recertification in connection with an absence after six months have passed since the employee's original certification in the employee's original certification requested by the Company will be at the employee's expense.

In addition to the requirement listed above, a recertification under the CFRA may only be requested at the expiration of the time in the original certification for time off for the employee's own serious health condition.

If an employee does not produce the recertification as requested, the leave will not be CFRA protected.

# h) Qualifying Exigency Leave Requirements

Employees are required to provide:

• As much advance notice as is reasonable and practicable under the circumstances.

- A copy of the covered servicemember's active duty orders when the employee requests leave and/or documentation (such as Rest and Recuperation leave orders) issued by the military setting forth the dates of the servicemember's leave; and
- A completed Certification of Qualifying Exigency form within 15 calendar days, unless unusual circumstances exist to justify providing the form later.

Certification forms are available from Human Resources.

#### i) Failure to Provide Notice or Certification and to Return From Leave

Absent unusual circumstances, failure to comply with these notice and certification requirements may result in a delay or denial of the leave. If an employee fails to return to work at the leave's expiration and has not obtained an extension of the leave, the Company may presume that the employee does not plan to return to work and has voluntarily terminated his or her employment.

#### j) Compensation During Leave

Generally, FMLA Leave is unpaid. However, employees may be eligible to receive benefits through state-sponsored programs or the Company's sponsored wage-replacement benefit programs. Employees may also choose to use accrued vacation and sick leave, to the extent permitted by law and the Company's policy. If employees elect to have wage-replacement benefits and accrued paid leave integrated, the integration will be arranged such that employees will receive no greater compensation than their regular compensation during this period. The Company may require employees to use accrued vacation to cover some or all of a Fed-FMLA leave. However, the Company will only require employees to use accrued vacation for CFRA leave if it is otherwise unpaid. The CFRA leave is not unpaid if the employee is receiving state disability insurance, short- or long-term disability payments pursuant to an employer provided plan, or is receiving Paid Family Leave through the state. The use of paid benefits will not extend the length of FMLA Leave.

# k) Benefits During Leave

The Company will continue making contributions to employees' group health benefits during their leave on the same terms as if the employees had continued to actively work. This means that if employees want their benefits coverage to continue during their leave, they must also continue to make the same premium payments that they are now required to make for themselves or their dependents. Employees taking Bonding Leave, Family Care Leave, Serious Health Condition Leave and Qualifying Exigency Leave will generally be provided with group health benefits for a 12-workweek period. When the reason for leave is for a pregnancy disability, which is a serious health condition under the Fed-FMLA but not the CFRA, and the employee takes additional time off that qualifies as CFRA leave, the Company will continue the employee's health insurance benefits for up to a maximum of 12 workweeks in a 12-month period. Employees taking Military Caregiver Leave may be eligible to receive group health benefits coverage for up to a maximum of 26 workweeks. In some instances, the Company may recover premiums it paid on an employee's behalf to maintain health coverage if the employee fails to return to work following FMLA Leave.

An employee's length of service will remain intact, but benefits such as vacation and sick leave may not accrue while on an unpaid FMLA Leave.

# l) Job Reinstatement

Under most circumstances, employees will be reinstated to the same position they held at the time of the leave or to an equivalent position with equivalent pay, benefits and other terms and conditions of employment. If an employee becomes unqualified during their CFRA leave as a result of not attended a necessary course, or renewing a license, the employee will be given a reasonable opportunity to fulfill those conditions upon returning to work. Further, the Company may grant an employee's request to work a different shift, in a different or better position, or in a different location, that is better suited to the employee's personal needs upon returning from CFRA leave. The Company will also consider a reasonable accommodation under the FEHA if the employee is returning from CFRA leave for their own serious health condition. However, employees have no greater right to reinstatement than if they had been continuously employed rather than taken leave. For example, if an employee would have been laid off or his or her position would have been eliminated even if he or she had not gone on leave, then the employee will not be entitled to reinstatement.

Key employees may be subject to reinstatement limitations in some circumstances. If employees are considered a "key employee," those employees will be notified of the possible limitations on reinstatement at the time the employee requests a leave of absence, or when leave begins, if earlier.

# m) Confidentiality

Documents relating to medical certifications, recertifications or medical histories of employees or employees' family members will be maintained separately and treated as confidential medical records, except that in some legally recognized circumstances, the records (or information in them) may be disclosed to supervisors and managers, first aid and safety personnel or government officials.

# n) Fraudulent Use of FMLA Leave Prohibited

An employee who fraudulently obtains FMLA Leave from the Company is not protected by the Fed-FMLA's or the CFRA's job restoration or maintenance of health benefits provisions. In addition, the Company will take all available appropriate disciplinary action against an employee due to such fraud.

# o) Nondiscrimination

The Company takes its FMLA Leave obligations very seriously and will not interfere with, restrain or deny the exercise of any rights provided by the Fed-FMLA or the CFRA. We will not terminate or discriminate against any individual for opposing any practice or because of involvement in any proceeding related to the Fed-FMLA or CFRA. If an employee believes that his or her Fed-FMLA or CFRA rights have been violated in any way, he or she should immediately report the matter to Human Resources.

# p) Additional Documentation

The Company's "Employee Rights and Responsibilities" notice provides additional details regarding employees' rights and responsibilities under the Fed-FMLA. Employees may obtain a copy of the "Employee Rights and Responsibilities" notice from Human Resources.

Employees should contact Human Resources as to any Fed-FMLA or CFRA questions they may have.

# E. Pregnancy and Pregnancy-Related Disabilities Leave and Accommodation

# a) Pregnancy Disability Leave

Any employee who is disabled by pregnancy, childbirth, or a related medical condition (including medical conditions relating to lactation) is eligible for up to four months of pregnancy disability leave per pregnancy. If an employee is also eligible for leave under the federal Family and Medical Leave Act (Fed-FMLA), the Fed-FMLA leave and the pregnancy disability leave will run concurrently.

For purposes of this policy, employees are "disabled by pregnancy" when, in the opinion of their health care provider, they cannot work at all or are unable to perform any one or more of the essential functions of their job or to perform them without undue risk to themselves, the successful completion of their pregnancy or other persons as determined by a health care provider. The term "disabled" also applies to certain pregnancy-related conditions, such as severe morning sickness or the need to take time off for prenatal or postnatal care, bed rest, post-partum depression and the loss or end of pregnancy (among other pregnancy-related conditions that are considered to be disabling).

# b) Reasonable Accommodation for Pregnancy-Related Disabilities

Any employee who is affected by pregnancy may also be eligible for a temporary transfer or another accommodation. Employees are "affected by pregnancy" if they are pregnant or have a related medical condition and their health care provider has certified that it is medically advisable for the employee to temporarily transfer or to receive some other accommodation.

The Company will provide a temporary transfer to a less-strenuous or -hazardous position or duties or other accommodation to an employee affected by pregnancy if:

- She requests a transfer or other accommodation.
- The request is based upon the certification of her health care provider as "medically advisable"; and
- The transfer or other requested accommodation can be reasonably accommodated pursuant to applicable law.

No additional position will be created, and the Company will not terminate another employee, transfer another employee with more seniority, or promote or transfer any employee who is not qualified to perform the new job as a part of the accommodation process.

Examples of reasonable accommodations include: (1) modifying work schedules to provide earlier or later hours; (2) modifying work duties, practices or policies; (3) providing time off; (4) providing furniture (such as stools) and modifying equipment and devices; and (5) providing additional break time for lactation or trips to the restroom. If time off or a reduction in hours is granted as a reasonable accommodation, the Company will consider the reduced hours/time off as pregnancy disability leave and deduct those hours from an employee's four-month leave entitlement.

#### c) Advance Notice and Medical Certification

To be approved for a pregnancy disability leave of absence, a temporary transfer or other reasonable accommodation, employees must provide the Company with:

- 30 days' advance notice before the leave of absence, transfer or reasonable accommodation is to begin if the need is foreseeable.
- As much notice as is practicable before the leave, transfer or reasonable accommodation when 30 days' notice is not possible: and
- A signed medical certification from their health care provider that states that they are disabled due to pregnancy or that it is medically advisable for them to be temporarily transferred or to receive some other requested accommodation.

The Company may require employees to provide a new certification if they request an extension of time for their leave, transfer, or other requested accommodation.

Failure to provide the Company with reasonable advance notice may result in the delay of leave, transfer, or other requested accommodation.

#### d) Duration

The Company will provide employees with pregnancy disability leave for a period not to exceed four months per pregnancy. The four months is defined as the number of days (and hours) the employee would normally work within four calendar months or 17.33 workweeks. This leave may be taken intermittently or on a continuous basis, as certified by the employee's health care provider.

The Company may require an employee to temporarily transfer to an available alternative position to meet the medical need of the employee to take intermittent leave or work on a reduced schedule as certified by the employee's health care provider. The employee must be qualified for the alternative position, which will have an equivalent rate of pay and benefits, but not necessarily equivalent job duties.

Any temporary transfer or other reasonable accommodation provided to an employee affected by pregnancy will not reduce the amount of pregnancy disability leave time the employee has available to her unless the temporary transfer or other reasonable accommodation involves a reduced work schedule or intermittent absences from work.

The length of the transfer will depend upon the employee's physical condition before and after childbirth.

#### e) Benefits

The Company will maintain an employee's health insurance benefits during an employee's pregnancy disability leave for a period of up to four months (as defined above) on the same terms as they were provided prior to the leave time. If employees take additional time off following a pregnancy disability leave that qualifies as leave under the California Family Rights Act (CFRA) or New Parent Leave Act (NPLA), the Company will continue their health insurance benefits for up to a maximum of 12 workweeks in a 12-month period.

In some instances, the Company may recover premiums it paid to maintain health insurance benefits if an employee fails to return to work following her pregnancy disability leave for reasons other than taking additional leave afforded by law or Company policy or not returning due to circumstances beyond the employee's control.

#### f) Integration with Other Benefits

Pregnancy disability leaves and accommodations that require employees to work a reduced work schedule or to take time off from work intermittently are unpaid. Employees may use their accrued vacation, sick or other paid time off (PTO) benefits during the unpaid leave of absence, if applicable. However, use of sick, vacation or other PTO benefits will not extend the available leave of absence time. Sick, vacation and other PTO leave hours will not accrue during any unpaid portion of the leave of absence, and employees will not receive pay for official holidays that are observed during their leave of absence except during those periods when they are substituting vacation or sick leave for unpaid leave.

Any State Disability Insurance for which employees are eligible may be integrated with accrued vacation, sick leave or other PTO benefits so that they do not receive more than 100 percent of their regular pay.

#### g) Reinstatement

If the employee and the Company have agreed upon a definite date of return from the leave of absence or transfer, the employee will be reinstated on that date if she notifies the Company that she is able to return on that date. If the length of the leave of absence or transfer has not been established, or if it differs from the original agreement, the employee will be returned to work within two business days, where feasible, after she notifies the Company of her readiness to return.

Before employees will be allowed to return to work in their regular job following a leave of absence or transfer, they must provide Human Resources with a certification from their health care provider that they can perform safely all of the essential duties of the position, with or without reasonable accommodation. If employees do not provide such a release prior to or upon reporting for work, they will be sent home until a release is provided. This time before the release is provided will be unpaid.

Employees will be returned to the same position upon the conclusion of their leave of absence or transfer unless the position ceases to exist. In cases where the employee's position no longer exists, the Company will provide a comparable position on the scheduled return date or within 60 calendar days of that return date. However, employees will not be entitled to any greater right to reinstatement than if they had not taken the leave.

To the extent required by law, some extensions beyond an employee's pregnancy disability leave entitlement may be granted when the leave is necessitated by an employee's injury, illness or "disability" as defined under the Americans with Disabilities Act and/or applicable state or local law.

The Company will not discriminate or retaliate against employees because they request or make use of leave, a transfer or other accommodations in accordance with this policy. This policy does not limit a pregnant employee's rights under any other policy or laws protecting gender, pregnancy and childbirth, or health conditions related to pregnancy or childbirth.

Employees who have questions about this policy or who wish to request leave, transfer or other reasonable accommodation under this policy should contact Human Resources.

#### F. Family Military Leave

Employees may take up to 10 days of unpaid leave if they work an average of 20 or more hours per week and their spouse (including a same-sex spouse) or registered domestic partner is on leave from deployment as a member of: (1) the Armed Forces of the United States deployed to an area of military conflict designated as a combat theater or combat zone by the President of the United States; or (2) the National Guard or Reserves deployed during a period of military conflict. For purposes of this policy "military conflict" includes "a period of war declared by the United States Congress" or a period of deployment for which a member of the Reserves is ordered to active duty either by the Governor or the President of the United States.

Employees must provide the Company with notice of their intention to take leave within two business days of receiving official notice that their spouse or registered domestic partner will be on leave from deployment. The Company may also request that employees submit written documentation certifying that their spouse or registered domestic partner will be on military leave from deployment during the time of the requested leave.

Eligible employees may use all available accrued paid leave, such as vacation and paid time off, during a period of unpaid family military leave. Leave taken under this policy will not affect an employee's right to any other benefits.

The Company will not discriminate against, or tolerate discrimination against, any employee who requests and/or takes leave under this policy.

## G. Bereavement Leave

Employees may take up to 2 days of time off to attend the funeral and make any necessary arrangements due to the death of an immediate family member. "Immediate family members" consist of the employee's spouse, registered domestic partner, children, siblings, parents, grandparents, grandchildren, or the children, siblings or parents of the employee's spouse or registered domestic partner.

1. All non-exempt employees will be granted up to two days off from work without pay in the event of the death of a family member.

2. Exempt employees will be granted similar leave with pay.

The Company, in its sole discretion, may allow additional bereavement leave. Requests for bereavement leave should be made to your immediate supervisor as soon as the need becomes apparent.

## H. Military Leave

Both state and federal law provide employees with the right to take leave in order to serve in the military. At the federal level, military leave rights are governed by the Uniformed Services Employment and Reemployment Rights Act of 1994, commonly referred to as USERRA. This policy first discusses military leave under USERRA and then describes additional military leave rights provided under California law.

If an employee plans to request leave based on military service, he or she should contact Human Resources for information on any additional rights or requirements, if applicable, under state law.

#### a) Eligibility for Leave - USERRA

The Company provides unpaid military leaves of absence to employees who serve in the uniformed services as required by USERRA. The uniformed services are defined as the Army, Navy, Marine Corps, Air Force, Coast Guard, Army National Guard, Air National Guard, Commissioned Corps of the Public Health Service and any other category of persons designated by the President of the United States in time of war or national emergency. The uniformed services also include participants in the National Disaster Medical System when activated to provide assistance in response to a public health emergency, to be present for a short period of time when there is a risk of a public health emergency or when they are participants in authorized training.

Service consists of performing any of the following on a voluntary or involuntary basis: active duty, active duty for training, initial active duty, inactive duty training, full-time National Guard duty, absence from work for an examination to determine fitness for such duty and absence to perform funeral honors duty. Total military leave time may not exceed five years during employment, except in certain, defined circumstances.

#### b) Notice of Leave - USERRA

Advance notice of leave is required, preferably in writing, unless giving notice is impossible or unreasonable or notice is prohibited by military necessity (which is defined by the United States Department of Defense). When notice is required, employees must provide their supervisor with as much advance notice as possible of any anticipated leave of absence for military service.

#### c) Compensation and Benefits During Leave - USERRA

Accrued, unused vacation or paid time off (PTO) will be paid during military leave at the employee's request. After 30 days of continuous military leave, employees may elect to continue

their health plan coverage at their own expense for up to 24 months or during the remaining period of service, whichever is shorter.

#### d) Reinstatement - USERRA

In order to be eligible for reinstatement, an employee must have provided advance notice of the need for military leave (where required) and have completed his or her service on a basis that is not dishonorable or otherwise prohibited under USERRA.

Employees whose military service will be for fewer than 31 days must report back to work at the beginning of the first full, regularly scheduled workday following completion of service, after allowing for a period of safe travel home and eight hours of rest.

Employees whose military service will be for more than 30 days, but fewer than 181 days, must apply for reemployment within 14 days after completing service.

Employees whose service is greater than 180 days must apply for reemployment within 90 days after completing service.

As with other leaves of absence, failure to return to work or to reapply within applicable time limits may result in loss of reemployment rights. Full details regarding reinstatement are available from Human Resources.

In general, an employee returning from military leave will be re-employed in the position and seniority level that the employee would have attained had there been no military leave of absence. If necessary, the Company will provide training to assist the employee in the transition back to the workforce.

Vacation benefits do not continue to accrue during a military leave of absence. An employee returning from military leave is entitled to any unused, accrued vacation benefits the employee had at the time the military leave began minus any vacation benefits the employee chose to use during the leave. Upon reinstatement, the employee will begin to accrue vacation benefits at the rate he or she would have attained if no military leave had been taken.

#### e) California Military Leave

Employees who are members of the National Guard or United States Reserve will be granted a temporary leave of absence without pay while engaged in military duty ordered for purposes of military training, drills, encampment, naval cruises and special exercises or like activities. This leave is not to exceed 17 calendar days annually, including time involved in going to and returning from such duty. Collateral benefits will not be restricted or terminated because of an employee's temporary incapacity as a result of the employee's duty in the National Guard, Naval Militia, State Military Reserve or federal reserve components of the United States Armed Forces, if the period of incapacity is 52 weeks or less.

Similarly, employees who are members of the state Military Reserve will be granted a temporary leave of absence without pay while engaged in military duty for purposes of military training, drills, unit training assemblies or similar inactive duty training. This leave is not to exceed 15 calendar days annually, including time involved in going to and returning from that duty.

Employees who are members of California's National Guard or the national guards of other states are entitled to reinstatement upon their return from active service military leave if they meet certain conditions. Employees who left a full-time position and are returning from leave will be restored to the same position or to a position of similar seniority, status and pay, unless the Company's circumstances have so changed as to make it impossible or unreasonable to do so, and returning employees who left a part-time position will be restored to the same position or to a position of similar seniority, status and pay, only if a position exists, so long as:

- The employee is an officer or enlisted member of the National Guard of any state;
- The employee was called to active duty by the Governor of the state in which he or she serves in the National Guard or by the President of the United States;
- The employee received a certificate of satisfactory service in the National Guard;
- The employee is still qualified to perform the duties of the position;
- If the employee left a full-time position, he or she made application for reemployment within 40 days of being released from service; if the employee left part-time employment, he or she made application for reemployment within five days of being released from service; and
- The employee's position was not temporary.

For one year following reemployment, the Company will not terminate the employee without cause.

The Company will not discriminate against individuals because they are members of the military or naval services of California or the federal reserve component of the United States Armed Forces. If the proper authority calls upon an employee to perform military service or duty or attend a military encampment or place of drill or instruction, the Company will not hinder or prevent the employee from performing that service.

#### I. Jury and Witness Duty Leave

The Company encourages all employees to fulfill their civic responsibilities and to respond to jury service summonses or subpoenas, attend court for prospective jury service or serve as a juror or witness under court order. Under no circumstances will employees be terminated, coerced or penalized because they request or take leave in accordance with this policy.

Employees must notify their supervisor with notice of any jury summons or subpoena or court order within a reasonable time after receipt and before their appearance is required. Verification from the court clerk of having served or appeared may be required.

Time spent engaged in attending court for prospective jury service or for serving as a juror or witness is not compensable except that exempt employees will not incur any reduction in pay for partial week's absence due to jury or witness duty. Employees may use vacation, personal leave or compensatory time off that is otherwise available to the employee for time spent responding to a summons and/or subpoena, for participating in the jury selection process or for

serving on a jury or as a witness. Employees may retain any mileage allowance or other fees paid for the jury or witness duty.

Any employee on jury or witness duty is expected to report or return to work for the remainder of the work schedule when dismissed from jury or witness duty.

### J. Time Off to Vote

The Company encourages all employees to fulfill their civic responsibilities and to vote in official public elections. Most employees' schedules provide sufficient time to vote either before or after working hours.

Any employees who do not have sufficient time outside of working hours to vote in a statewide public election, while the polls are open, may take up to two hours off from work, without loss of pay. Any additional time off will be without pay. Employees must take the time off at the beginning or end of their regular work schedule, whichever allows the most free time for voting and the least amount of time off from work, unless mutually agreed otherwise.

Employees must provide at least two working days' notice of the need for leave when, on the third working day prior to the Election day, the employee knows or has reason to believe that he or she will need time off to vote on election day. Otherwise, employees must give reasonable notice of the need to have time off to vote.

## 5

# HEALTH AND OTHER BENEFITS

## A. Worker's Compensation Insurance

To provide for payment of your medical expenses and partial salary payments in the event of a work-related accident or illness, you are covered by Worker's Compensation Insurance. The amount of the benefits payable, and the duration of the payments, depend upon the nature of your injury or illness. In general, all reasonable medical expenses incurred in connection with an injury or illness are paid in full, and partial salary payments are provided if you are absent from work.

If you are injured or become ill on the job, you must immediately (within 24 hours) report such injury or illness to your supervisor. This ensures that the Company can assist you in obtaining appropriate medical treatment. Your failure to follow this procedure may result in the appropriate Worker's Compensation report not being filed in accordance with the law, which may consequently jeopardize your right to benefits in connection with the injury or illness.

Questions regarding Worker's Compensation Insurance should be directed to the Company's President.

#### **B.** Health Insurance and other Company Benefits

All health benefits and any other benefits available to employees of the Company are offered at the sole discretion of the Company. Details concerning such benefits are set forth in the literature available through the Company's plan providers or administrators.

## 6

# **DISCIPLINARY ACTION**

## A. Guidelines for Appropriate Conduct

As one of the Company's employees, you are expected to accept certain responsibilities, adhere to acceptable business principles, and refrain from any behavior that might be harmful to, or reflect unfavorably on you, your co-workers, the Company or customers of the Company. Types of behavior and conduct that the Company considers inappropriate include, but are not limited to, the following:

- Theft of any kind;
- Fighting with other employees, customers, vendors or others;
- Malicious or wanton destruction of Company or Airport property;
- Use of illegal drugs and alcohol before or during scheduled work hours;
- Deliberate insubordination:
- Misleading information on employment application;
- Tampering with the Company's data processing units or time clocks;

• Any unauthorized alterations on guest checks, on any forms of payment presented by a customer (e.g. credit card forms, etc.) or on anyone's time records;

• Disregarding safety rules and regulations;

• Disregard of Airport Security regulations which may or may not result in written security violations.

• Violating the Company nondiscrimination and/or sexual harassment policies

If your conduct becomes unacceptable in the judgement of the Company, either as a result of inappropriate behavior, including the commission of any of the acts outlined above, or as a result of a violation of any other Company policy or rule, you will be subject to disciplinary action, up to and including immediate dismissal.

## **B.** Guidelines Regarding Performance Deficiencies

You may also be subject to disciplinary action, up to and including dismissal, if your performance, work habits, overall attitude or demeanor becomes unsatisfactory in the judgement of the Company. Performance deficiencies that could result in dismissal include, but are not limited to, the following:

• one or more poor performance evaluations;

• after any scheduled evaluation, there is no improvement in areas rated unacceptable on the evaluation;

• after the conclusion of the probationary period, job performance is not adequate in the sole discretion of the Company;

• any accumulation of warning letters as a result of violations of the Company's policies regarding tardiness, tip reporting, personal appearance, calling in policies, sick policies, schedule policies, horse play, carelessness, ticket control (guest checks), leaving work/premises without permission, absenteeism, general/department meetings, meal policy, on-call policies, smoking/snacking policies, bar/drinking policies, loafing, abuse of equipment and any other act not stated specifically herein that would adversely affect the normal, efficient, and harmonious operation of the Company.

## C. Issuance of Warning Slips

In an effort to enhance the overall performance of the employees of the Company and to allow every employee an opportunity to improve his or her performance, the Company may, as a disciplinary measure, issue a warning letter to an employee who has violated a Company policy or rule or who has otherwise engaged in conduct which is not acceptable to the Company. However, the issuance of warning letters in lieu of more severe discipline is in the sole discretion of the Company and there is no requirement that the Company issue such warning letters prior to imposing more severe discipline, including dismissal.

## D. No Alteration of At-Will Status

None of the disciplinary policies established by this Handbook alter the at-will status of any employee of the Company (i.e., any employee may be terminated without cause), nor do they create any obligation on the part of the Company to utilize any form of progressive discipline.

## 7

# EMPLOYEE CONDUCT AND GENERAL OPERATING RULES

## A. Employee Parking/RTD ECOPASS

Due to limited parking spaces for the Company's guests, employees are asked to park in the outlying areas of the parking lot at their work location. Ask your immediate supervisor if you are unsure where to park. After passing a probationary period, full-time airport employees are eligible to receive a parking pass. The Company will fully reimburse each employee, upon presentation of a valid receipt, for parking in the designated airport employee lot.

A Bus Pass MAY be issued to full-time airport employees upon completion of the probationary period. This pass is the property of Mission Yogurt, Inc. and must be returned to the Company when terminating employment. The company will seek reimbursement, through legal action, if the bus pass is not returned upon request. For specifics pertaining to the Company Bus Pass Program, please reach out to your immediate supervisor or Executive Management.

#### **B.** Personal Telephone Calls

Personal calls are not allowed while you are working. If you need to make a call, you may do so during your break, using the phone at your work location. No employee phone numbers will be given out over the phone by the Company at any time. Please complete your own list of home telephone numbers for co-employees if you desire one. Use of personal cellular telephones is never permitted to be used while on duty.

### C. Employee Meal and Rest Break Policy

While on shift, all employees who have worked five consecutive hours, may be allowed to receive discounted menu items served by the Company. Juices and alcoholic beverages may be purchased at a discounted price, although employees may not purchase alcoholic beverages while on shift or immediately prior to the start of their shift. Eating is allowed only in areas designated by your immediate supervisor. Eating is never allowed in any food preparation area or while on duty.

Meal breaks may be taken as scheduled by your immediate supervisor. No breaks will be scheduled between 11:00 a.m. and 1:30 p.m. or between 6:00 p.m. and 7:30 p.m. Employees must clock in and out for all meals.

- Snacking is not allowed during your shift, unless you are required to taste test a special new product.
- Employee meals may not be taken out of the restaurant.
- "Trading" with other airport employees is never permitted. This activity is grounds for immediate dismissal.

The Company complies with federal and state legal requirements concerning meal and rest breaks. The Company recognizes that employees perform at their best when they have the rest and nourishment they need. This policy explains when the Company expects employees to take meal and rest breaks.

### a) Meal Breaks

The Company provides at least a 30-minute meal break to employees who work more than five hours and a second 30-minute meal break to employees who work more than 10 hours in a workday, unless they have elected to waive a meal break in accordance with the Company's policy and state law. Employees are relieved of their duties during meal breaks and are allowed to leave the premises.

Number of Actual Hours Worked Per Shift	# Meal Breaks	Comments
$0 \text{ to} \le 5.0$	0	An employee who does not work more than five hours in a workday is not provided with a meal break.
$> 5.0 \text{ to} \le 10.0$	1	An employee who works more than five hours in a workday, but who does not work more than 10 hours in a workday, is provided with a 30-minute meal break that is available before the end of the fifth hour of work, subject to any meal period waiver in effect.
> 10.0	2	An employee who works more than 10 hours in a workday is provided with a second 30-minute meal break that is available before the end of the 10th hour of work, subject to any meal period waiver in effect. The meal period waiver will be invalidated if the employee works more than 12 hours.

The Company provides meal breaks according to the following schedule:

The Company does not pay nonexempt employees for meal breaks, so nonexempt employees must record the start and stop times of their meal breaks.

#### b) Rest Breaks

Employees are authorized and permitted to take a 10-minute paid rest break for every four hours worked, or major fraction thereof (i e., more than two hours). Employees are relieved of all of their duties during rest breaks and are allowed to leave the premises. The Company authorizes and permits rest breaks according to the following schedule:

Number of Actual Hours Worked Per Shift	# of 10- Minute Rest Breaks	Comments
0 to < 3.5	0	A nonexempt employee who works less than three and one-half hours in a workday is not entitled to a rest break.
$\geq$ 3.5 to $\leq$ 6	1	A nonexempt employee who works three and one-half hours or more in a workday, but who does not work more than six hours in a workday, is entitled to one 10- minute rest break.
$> 6.0$ to $\le 10.0$	2	A nonexempt employee who works more than six hours in a workday, but who does not work more than 10 hours in a workday, is entitled to two 10-minute rest breaks.
> 10.0 to $\leq$ 14.0	3	A nonexempt employee who works more than 10 hours in a workday, but who does not work more than 14 hours in a workday, is entitled to three 10-minute rest breaks.

Whenever practicable, rest breaks should be taken near the middle of each four-hour work period. Employees may not accumulate rest breaks or use rest breaks as a basis for starting work late, leaving work early or extending a meal break.

Because rest breaks are paid, nonexempt employees should not clock out for them.

Any nonexempt employee who is not provided with a timely, uninterrupted and at least 30-minute meal break, or who is not authorized and permitted to take a rest break according to this policy, is immediately entitled to a meal or rest break premium. Any supervisor who knows or should reasonably know that a meal break or rest break was not provided in accordance with this policy should arrange for a premium to be issued to the employee. Employees are responsible for reporting to their supervisor any meal break that was not provided or any rest break not authorized and permitted where the supervisor would have no reason to otherwise

know of this fact. Any employee who feels that he or she is owed a premium as a result of this policy, but has not received the premium, should report the missing premium immediately to his or her manager.

#### c) Discipline

Any employee, supervisor or manager who fails to observe meal and rest break policies will be subject to discipline, up to and including termination of employment. Violations of this policy should be reported to any manager or Human Resources. Every report will be fully investigated, and corrective action will be taken if appropriate.

In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

## **D.** Bar Policy

Employees are not allowed to sit in uniform at the bar in any of the Company's restaurant facilities. Drinking on shift, immediately prior to your shift or between shifts, is not allowed. Employees under 21 years of age may not sit in the lounge of any Company restaurant facility. If you remain at the location where you work after you have finished your shift, ask your supervisor to advise you of an area where you may sit.

## E. Smoking

Smoking, as well as any other use of tobacco, is allowed only during proper breaks and only in designated areas. Smoking and the use of any form of tobacco, including chewing tobacco, are never allowed in food preparation areas. Such behavior shall be grounds for immediate termination.

## F. Personal Appearance and Grooming

The Company is in the business of serving the public and takes pride in its employees. We want all Company employees to take pride in themselves. Personal hygiene is extremely important for all employees if the Company is to properly serve its guests. All employees are expected to report for work in a clean uniform with clean hair, properly manicured fingernails, and if appropriate, clean shaven. Jewelry is allowed if it is conservative and does not interfere with the performance of duties. Good overall hygiene is a must and will be considered in performance evaluations.

## G. Employee Cash Errors

Cashiers and Supervisors are responsible to properly maintain the cash drawer. Any single drawer discrepancy in excess of \$3.00, either over or short, or a thirty day cash

discrepancy in your drawer in excess of \$25.00, either over or short, will result in disciplinary action or termination.

Cashiers and Supervisors are responsible for the accuracy of the guest receipts or tickets. Therefore, all cashiers should make sure that everything a guest has ordered is properly charged on the guest receipt or check. Any errors in guest charges may result in disciplinary action. All guests must receive their receipt. If customers do not receive their receipt, the manager is to be notified immediately. The employee assisting the customer could be held liable for the charges by the customer.

## H. Confidentiality

During employment with The Company, employees will learn, work with, and be entrusted with information and trade secrets that are confidential relating to the company's operations, proposed new businesses, records, schedules, recipes, marketing materials, financial condition, sales, products and designs that are the sole property of Mission Yogurt, Inc. As such, distribution, discussion, removal of or sale of any such information is strictly prohibited. This information is not known outside of the company or even known to all of the company's employees. Examples include financial information, costs, business projections, records, schedules, recipes, marketing materials, marketing plans, customers, suppliers, designs, composites, sketches and any information that is marked confidential. Keeping this information confidential is necessary to ensure our success. Because this information has substantial value to the company, all employees must exercise the highest degree of care not to disclose any confidential information, even inadvertently (through conversations in elevators or restaurants), to any unauthorized persons in or outside the Company.

Employees, except within the scope of employment, cannot remove, make or cause to be made any copies of drawings, reports, correspondences or other writings or samples relating to the Company. Employees cannot use for their own gain or disclosure, except within the scope of employment, any trade secrets, other confidential information, data or knowledge relating to the Company.

Employees must surrender all documents, drawings and information to the Company upon termination or employment or at any time upon the request of their Supervisor.

Sometimes even the most innocent acts or requests can result in disclosure of confidential information. Employees should always think before discussing information with a third party. If an employee believes confidential information must be disclosed to a third party, they should consult with their Department Head. There is no excuse for disclosure of confidential information.

<u>Violations of these regulations is subject to immediate termination and possible legal</u> actions. The employee's obligations under this policy shall continue after termination of employment.

## I. Contact with the Media

To ensure that the Company communicates with the media in a consistent, timely and professional manner about matters related to the Company, employees should notify their manager that they have been contacted by the media whenever they are asked to speak on behalf of the Company so that the Company knows that a media inquiry has been made. Do not respond to media inquiries on the Company's behalf without authorization. This rule does not prevent employees from speaking with the media, but they should not attempt to speak on behalf of the Company unless they have specifically been authorized to do so by an officer of the Company.

## J. Social Media

The Company recognizes that many employees engage in social media activity. For purposes of this policy, social media activity includes all types of postings on the internet, including, but not limited to, postings on social networking sites, such as Facebook, LinkedIn, and Tumblr; blogs and other on-line journals and diaries; bulletin boards and chat rooms; microblogging, such as Twitter; and postings of video or audio on media-sharing sites, such as YouTube or Flickr. Social media activity also includes permitting, or failing to remove, posts by others whenever the employee can control the content of posts, such as on a personal page or blog.

#### a) Application

This policy applies to all employees and applies to social media activity that relates in any way to the Company's business, employees, customers, vendors, or competitors or that identifies an employee's affiliation with the Company (other than as an incidental mention of place of employment in personal social media activity unrelated to the Company).

The Company's policies with respect to nondiscrimination, anti-harassment or retaliation and protection of confidential company information apply to social media usage.

#### b) Scope

This policy applies to social media activity when on or off duty, while using the Company's or personal electronic resources, and whether or not the employee posts anonymously or using a pseudonym.

## K. Drug Policy

The Company intends to ensure a safe and productive work environment, free of illicit drug use and alcohol abuse. The goals of the Company's policy and the testing of employees are to insure a drug and alcohol free work environment, and to reduce and help eliminate drug and alcohol related accidents, injuries, fatalities and property damage. In the interest of ensuring that the Company is and will continue to be drug-free, the following policies and procedures will apply to all employees:

#### 1. Prohibited Drug and Alcohol Use

Employees are prohibited from buying, selling, soliciting to buy or sell, transporting, promoting or possessing illegal drugs or drug paraphernalia or legal but illegally used substances while on Company premises or while engaged in the Company's business off the Company's premises. Such conduct is also prohibited during non-working hours to the extent that, in the opinion of the Company, it impairs the employee's ability to perform his or her job or threatens the reputation or integrity of the Company.

No prescription drug will be brought on Company premises by any person other than the person for whom it is prescribed. Prescription drugs will be used only in the manner, combination and quantity prescribed. Employees are prohibited from using or being under the influence of any legal drug whose use can adversely affect the ability to work safely. If for medical reasons, you are required to take prescription or over-the-counter drugs which may affect your ability to function normally, you must notify your supervisor immediately.

No alcoholic beverage shall be brought or consumed on Company premises except in connection with a Company authorized event. Employees are prohibited from possessing any amount or type of alcohol (including medications, or over-the-counter remedies containing alcohol) while on duty.

#### 2. Company's Right to Search

The Company wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives or other improper materials. To this end, the Company prohibits the control, possession, transfer, sale or use of such materials on its premises to the extent permitted by applicable law. We require the cooperation of all employees in administering this policy.

Desks, lockers and other storage devices are provided for the convenience of employees but remain the sole property of the Company. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of the Company at any time, either with or without prior notice.

In addition, to ensure the safety and security of employees and customers, and to protect our legitimate business interests, we reserve the right to question and inspect or search any employee or other individual entering or leaving company premises or job sites. The inspection or search may include any packages or items that the individual may be carrying, including briefcases, handbags, knapsacks, shopping bags, etc.

These items are subject to inspection and search at any time, with or without prior notice. We also may require employees to agree to reasonable inspection of their personal property and/or person while on the job or on the Company's premises. The individual may be requested to self-inspect his or her personal property or person by displaying the contents of any packages and/or turning out his or her pockets, etc., in the presence of a representative of the Company, typically a management employee of the same gender. The Company will not tolerate any employee's refusal to submit to a search.

#### 3. Company's Right to Test Upon Suspicion of Drug or Alcohol Abuse

The Company also reserves the right to require, without further notice and at its discretion, when it suspects alcohol or drug abuse by an employee, that the employee, as a condition of continued employment, be physically examined and/or clinically tested for the presence of alcohol or drugs by qualified medical personnel as a result of the following:

a) Being identified by a supervisor as appearing to be in an unfit condition for work, as determined by the Company;

b) Involvement in a workplace accident or safety-related incident, as determined by the Company;

c) Involvement in a motor vehicle accident while operating a Company-owned or leased vehicle or while operating a customer's vehicle; or

d) Any other circumstance, incident, or occurrence that leads the Company to suspect alcohol or drug abuse.

Refusal on the part of the employee to submit to a search or test as described above may lead to immediate discharge, or may be considered by the Company as a voluntary resignation. A positive, confirmed drug or alcohol test may result in immediate dismissal even for a first offense. In addition, any driver who is convicted by the judicial system for a DUI, a DWAI, or a felony for a drug or alcohol related matter may be terminated.

As a condition of employment by the Company, each employee will notify the Company if he or she is convicted or pleads guilty or no-contest to any criminal drug charge for any unlawful manufacture, distribution, dispensation, possession or use of any controlled substance in the workplace. Employees must notify the Company no later than five (5) days after conviction or entry of a guilty or no-contest plea. Any employee who fails to notify the Company within five (5) days after a conviction or plea of guilty or no-contest to such a criminal drug charge will be terminated.

#### 4. Confidentiality

To the extent reasonably possible, and except as necessary in an emergency situation or for the conduct of the business of the Company, the Company will not release information with respect to an employee's drug or alcohol test results.

## L. Outside Employment

The Company respects each employee's right to engage in activities outside of employment such as those that are of a personal or private nature, to the extent that such activities do not create a conflict of interest as described in the Conflicts of Interest policy set forth in this Handbook or adversely affect the employee's ability to perform his or her job. Under certain circumstances, if an employee's personal conduct begins to adversely affect his or her performance on the job, or begins to make it impossible for him or her to carry out any or all of his or her job duties while at work, appropriate disciplinary action up to and including termination of employment may be appropriate.

An example of an activity that might adversely affect an employee's ability to perform his or her job duties is outside employment. While the Company does not prohibit employees from holding other jobs, the following types of outside employment are prohibited:

- Employment that conflicts with the employee's work schedule, duties and responsibilities or creates an actual conflict of interest;
- Employment that impairs or has a detrimental effect on the employee's work performance with the Company;
- Employment that requires employees to conduct work or related activities during working times or using any of the Company's tools, materials or equipment; and
- Employment that directly or indirectly competes with the business or the interests of the Company.

For the purposes of this policy, self-employment is considered outside employment.

The Company will not assume any responsibility for employees' outside employment. Specifically, **the Company** will not provide workers' compensation coverage or any other benefit for injuries occurring from, or arising out of, such outside employment.

## M. Solicitation and Distribution of Literature

The distribution or posting of advertising materials, handbills, and other literature in working areas is prohibited at all times. Solicitation of third party products, including but not limited to Avon, Tupperware, Mary Kay, etc. is not permitted during work hours. Such activity is subject to disciplinary action.

## N. Gossip and Rumors Prohibited

Gossip and rumors are destructive to the teamwork concept of the Company and will only serve to reduce your credibility in the eyes of management and your fellow employees. Please, unless your comments are constructive, keep them to yourself.

## **O.** Work Restrictions on Minors

Pursuant to applicable labor laws, employees under 18 years of age are not allowed to operate the Hobart (mixer) or Globe Slicer.

It is against Mission Yogurt, Inc. employment policy and expressly forbidden to hire any person that is under the age of 17 due to the heightened security and safety requirements associated with operations at Denver International Airport.

If you are asked to violate any of these restrictions by a supervising employee, inform your manager immediately.

## **Acknowledgement and Receipt**

I acknowledge that I have received and read a copy of the **Mission Yogurt**, **Inc.** Employee Handbook. I understand that the Employee Handbook sets forth the terms and conditions of my employment with the Company as well as the duties, responsibilities and obligations of employment with the Company. I understand the Company has provided me various alternative channels to raise concerns of violations of this handbook and company policies and encourages me to do so promptly so that the Company may effectively address such situations. I also understand that nothing herein interferes with any right to report concerns, make lawful disclosures, or communicate with any governmental authority regarding potential violations of laws or regulations.

I agree to abide by and be bound by the rules, policies and standards set forth in the Employee Handbook.

I acknowledge that, except where required otherwise by applicable state law, my employment with **the Company** is at-will, meaning that it is not for a specified period of time and that the employment relationship may be terminated at any time for any reason, with or without cause or notice, by me or the Company. I further acknowledge that only the President/Owner or his or her authorized representative has the authority to enter into an agreement that alters the at-will relationship. Any such agreement must be in writing and signed by the President/Owner or his or her authorized representative.

I further acknowledge that the Company reserves the right to revise, delete and add to the provisions of the Employee Handbook, but that all such revisions, deletions or additions must be in writing. No oral statements or representations can change the provisions of the Employee Handbook. Furthermore, the Company's policy of at-will employment may only be changed as stated in the prior paragraph.

I also understand and acknowledge that nothing about the policies and procedures set forth in this Employee Handbook should be construed to interfere with any employee rights provided under state or federal law, including Section 7 of the National Labor Relations Act.

I have read and understand the above statements.

**Employee Signature** 

Print Name

Date