

## **About This Handbook**

The following pages contain information regarding many of the policies and procedures of Employnet. This is not an employment contract and is not intended to create contractual obligations of any kind.

The policies and procedures outlined in this handbook will be applied at the discretion of Employnet and Employnet reserves the right to deviate from the policies and procedures of this handbook, or to withdraw or change them, at any time. We will notify you when an official change in policy or procedure has been made.

Employnet values the many talents and abilities of its employees and seeks to foster an open, cooperative and dynamic environment where employees and the company alike can thrive. If you would like further information or have questions about any of the policies and procedures outlined in this handbook, please feel free to bring them to the attention of a Human Resources Manager.

## **Standard Employment Practices**

### **At Will Employment**

Employnet does not offer tenured or guaranteed employment. Unless Employnet has otherwise expressly agreed in writing, your employment is at will and may be terminated by you or by Employnet at any time, including after the evaluation period.

### **Equal Employment Opportunity**

Employnet is an Equal Opportunity/Affirmative Action employer. Employnet will not tolerate discrimination against any employee because of race, color, national origin or ancestry, gender, age, religious convictions, or disability.

Employnet is committed to providing equal employment opportunities to all individuals without regard to race, color, religion, sex, national origin, age, disability,

marital status, sexual orientation, or any other characteristic protected by law. Employnet does not discriminate on the basis of gender in compensation or benefits for women and men who work in the same establishment and perform jobs that require equal skill, effort, and responsibility and which are performed under similar conditions.

Employnet will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. An employee with a disability for which reasonable accommodation is needed should contact a Human Resources Manager to discuss possible solutions.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of a Human Resources Manager. Employees can raise legitimate concerns and make good faith reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including discharge.

### **Sexual and Other Unlawful Harassment**

Employnet will endeavor to maintain a work environment that nourishes respect for the dignity of each individual. This policy is adopted in furtherance of that tradition.

It is against the policies of Employnet for an employee to harass another person because of the person's sex, race, color, religion, national origin, age, disability, sexual orientation, marital status, or other characteristic protected by law. Actions, words, jokes, or comments based on such characteristics will not be tolerated.

Consequently, it is against the policies of Employnet for an employee to sexually harass another person. Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; (2) submission to or rejection of such

conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or environment.

Any employee who believes that he or she is being unlawfully harassed should immediately contact their supervisor or a Human Resources Manager.

All complaints of harassment will be promptly, thoroughly and confidentially investigated and, where necessary, appropriate corrective action will be taken. Any person found to have unlawfully harassed another employee will be subject to appropriate disciplinary action, up to and including discharge.

#### Immigration Law Compliance

Employnet does not hire anyone that is not a citizen of the United States, or is not a non-citizen that is authorized to work in the U.S. under the Immigration Reform and Control Act of 1986. As a condition of employment, all new and past employees must show valid proof that they are eligible to work in the United States.

#### Criminal Convictions

Employnet reserves the right not to hire or retain anyone that has been convicted of a criminal offense. Conviction of a crime that involves dishonesty may result in an automatic termination of employment. Before any decision is made, the nature of the crime and circumstances surrounding the conviction will be considered.

#### Evaluation Period

During the first three months of your employment with Employnet you will be in an "evaluation period." During this time, your supervisor will continually evaluate your performance and compatibility with Employnet. Should your performance not meet the standards set forth by Employnet or your supervisor, your employment will be terminated. Upon completion of the evaluation period, you will be eligible for additional benefits, as set forth in the benefits information you received upon employment.

#### Standards of Conduct

Employnet expects that all employees conduct themselves in a professional and ethical manner. An employee should not conduct business that is unethical in any way, nor should an employee influence other employees to act unethically. Furthermore, an employee should report any dishonest activities or damaging conduct to an appropriate supervisor.

In the event that you become aware of another employee's behavior or actions, which you believe are inappropriate, illegal, problematic, or in any way inhibit or affect your job performance or the Employnet work environment, you should discuss such behavior or actions with the President, a Human Resources Manager or other appropriate management personnel.

promptly, thoroughly and confidentially investigate all reasonable concerns and, where necessary, appropriate corrective action will be taken. You should not discuss such actions or behavior with other Employnet employees. Your discussing such matters with other employees may – in and of itself – create an unacceptable work environment for which you will be held responsible and for which you may be disciplined in accordance with Employnet's disciplinary policy.

#### Personnel File

Employnet keeps personnel files on each of its employees. These files are confidential in nature and are managed by a Human Resources Manager. They will not be copied or be removed from the premises unless there is a legitimate business reason to do so.

All employees may view his or her personnel file by contacting a Human Resources Manager during normal business hours. No employee may alter or remove any document in his or her personnel file.

### General Policies and Procedures

#### Orientation

In accordance with federal law, both new employees and re-hires will be required to provide documentation of identity and eligibility to work in the United States. The I-9 form will be used for this

purpose.

New employees will also receive a copy of the Employee Handbook and will be given the time to read it and ask any clarifying questions of a Human Resources Manager. The signed copy of the "Acknowledgement & Receipt of Understanding" will be placed in the employee's personnel file. Please sign and return the form found at Exhibit 1.

#### Reporting Changes

You are responsible for promptly notifying a Human Resources Manager of any change in your name, address, telephone number, marital status, citizenship, tax withholding allowances, emergency contact information, insurance beneficiary, or dependent insurance coverage. Accurate and correct information is vital for benefits and insurance records and other Company files.

Each employee is required to notify a Human Resources Manager, in advance, of the dates of all approved vacation or leave time to be taken. Additionally, employees are to inform human resources of sick days taken and excessive lateness in arriving at work.

#### Job Classifications

Employees are classified by two major categories: "Exempt" and "Non-exempt." This handbook applies to both Exempt and Non-Exempt employees.

- (1) Exempt employees are generally salaried and fall into one or more of the following four classifications: executive, professional, administrative, or sales. These employees are exempt from the applicable provisions of state and federal wage and hour laws (FLSA).
- (2) Non-exempt employees are eligible to receive overtime pay in accordance with state and federal wage and hour laws (FLSA). These employees are required to submit a time record for each pay period, approved by the appropriate supervisor, for the purpose of tracking hours worked and calculating compensation.

Employees are also classified within one of the following three statuses:

- (1) Full-time: any employee that is regularly scheduled to work 35 hours a week or more. Full-time employees are eligible for standard company benefits.
- (2) Part-time: any employee that is regularly scheduled to work less than 35 hours per week. Part-time employees are not eligible for standard company benefits.
- (3) Temporary: any temporary work that has a predetermined start and end date of employment. Temporary employees are not eligible for standard company benefits.

#### Pay Periods

All employees are paid by mail. Checks will be mailed to the employee address on file with Employnet on the Thursday of the week following the week in which work is performed. The check date will be the Friday of that week. Alternative payment dates may be established for designated employees. Employees are paid for the hours entered and approved on the employee time sheet.

#### Hours of Work

Work hours are established by Employnet and the Employnet Client for each employee.

#### Breaks

Employnet and the Employnet Client you support establish the duration and frequency of breaks on a case by case basis.

#### Time Keeping

Accurate time recording and reporting is a requirement for all labor performed. A time sheet form shall be prepared for each employee at the beginning of each week. The employee is responsible for completing the time sheet on a daily basis. It shall be the responsibility of each employee to accurately record the amount of time spent performing work on a particular task. Time shall be recorded to the nearest one-quarter hour. Time shall be totaled on the time sheet. The certification on the time sheet shall be signed prior to submitting the time sheet to Employnet. The time sheet shall be completed in ink. If errors are made a single line shall be drawn through the incorrect entry and the correct the

entry made. The employee will initial the correction. The time sheet shall be delivered to Employnet by 12:00 noon each Monday following work performed. You will be notified of the method of delivering the time sheet.

#### Overtime

Nonexempt employees are to be paid time and one-half (1.5) for work time that exceeds 40 hours during a scheduled workweek. Employees asked to work overtime are expected to do so. Exempt employees not in designated categories are not eligible for overtime pay

#### Salary Increases

Salary increases are based on performance or promotion. All salary increases are at the discretion of an employee's supervisor and/or a Human Resources Manager.

#### Payroll

Both exempt and nonexempt employees will have federal and state taxes withheld from their wages. Payroll checks will not be released prior to the set pay schedule for any reason, nor will they be released to anyone other than the employee.

#### Performance Reviews

Every Employnet employee will be subject to a performance appraisal at least once a year. The employee's supervisor or a Human Resources Manager will give these reviews. The reviews will focus on job-related strengths and weaknesses. Goals and improvement plans will be mapped out each review period and progress will be measured at the next review.

#### Bonus Structure

Employnet has no bonus structure policy. However Employnet may institute a bonus structure or incentive plan at any time. Employnet guarantees no bonus plans. Any bonus structure will be determined by management and will likely include some level of performance achievement. Employees will receive notice of any additions, subtractions, or changes to any new or existing bonus structure.

#### Expense Reimbursement

Employnet will reimburse employees for reasonable pre-approved business expenses. Reasonable expenses while traveling on company business include travel fares, accommodations, meals, tips, telephone and fax charges, entertainment of Clients and purchases on behalf of the company. Local expenses include company purchases, taxi or public transportation fares when on company business and entertainment of Clients. All expenses must be submitted via the required expense form and approved by the employee's supervisor prior to submission for reimbursement.

#### Attendance & Punctuality

Punctuality and regular attendance are important to the smooth operation of Employnet. If you are consistently late or excessively absent, Employnet's ability to perform work is affected and an unfair burden is placed on your co-workers. Therefore, unless your absence is permitted or excused under Employnet's policies, you are responsible for being at work and arriving on time. If you are going to be absent or late, it is your responsibility to call your supervisor as soon as possible, preferably in advance of lateness and no later than one hour after the start of the workday. If you are absent for several days, you must notify your supervisor each day. An employee who is absent for reasons other than those permitted or excused by Employnet will be subject to appropriate disciplinary action, up to and including discharge.

#### Availability for Work

Employees must be available for work during normal business hours. If, for any reason, there is a change in your work availability status, you must notify your supervisor at least one week prior to the change.

#### Mandatory Meetings

Employees may be required to attend mandatory team meetings. In the event that a mandatory meeting interferes with an employee's regular schedule, no overtime will be paid for attendance. This includes employees who may be telecommuting or job sharing.

### Telecommuting

Employees may be approved for telecommuting under Employnet's offsite workforce program. Telecommuting is generally discouraged, but may be allowed if it can be shown that it will improve the employee's performance or productivity. Telecommuting arrangements must not disrupt the daily activities of a group or workflow. Both a supervisor and the President of the company must approve all employee telecommuting arrangements. No telecommuting arrangement will be considered permanent and the policies may be reviewed and altered at any time.

### Holidays

Employnet and the Employnet Client requirements, dictate the holiday policy. If your assignment involves holiday pay this will be identified for you in a separate attachment to this document.

### Drugs and Alcohol

You may be required to submit to drug testing as condition of employment. Employnet will not tolerate the use or possession of alcohol or illegal drugs on the job or on company property. Employees using or possessing alcohol or illegal drugs on company property or while at work or who report to work under the influence of alcohol or illegal drugs will be subject to disciplinary action, up to and including discharge.

### Violence & Weapons

Employnet takes threats of violence extremely seriously. Any act or threat of violence by or against any employee, customer, supplier, partner or visitor is strictly prohibited. This policy applies to all company employees, whether on or off company property.

Any use or possession of weapons, whether illegal or not, is prohibited on company property, or while on company business. This includes knives, guns, martial arts weapons, or any other object that is used as a weapon. Any employee caught possessing a weapon will be disciplined, up to and including termination.

### Smoking

Smoking is not allowed in Employnet or Client facilities.

### Workplace Attire

Employnet has a casual dress environment. However, employees are expected to use good judgment and taste and to show courtesy to their co-workers and associates by dressing in a fashion that is presentable and appropriate. Some Employnet clients require uniforms for the employees. If required the company may provide uniforms or the employee will be reimbursed for the cost of such uniforms.

### Telephone Use

Telephones are provided to enable employees to carry out work assignments in an efficient manner. Personal telephone calls should be kept to a minimum and personal toll calls should not be made at Employnet's or Client expenses.

### Voice Mail and Electronic Mail

All electronic and telephone communication systems and all communications and information transmitted by, received from, or stored in these systems are the property of Employnet or the Employnet Client and as such are intended for job-related purposes. Personal use should be kept to a minimum. Electronic or telephone communication systems may not be used to transmit messages that may be considered inappropriate under Employnet's or Client policies, including those prohibiting harassment. Employees are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized company representative. All pass codes are the property of Employnet or the Client and may be used by Employnet and/or the Client to access electronic and telephone communications at any time. Employnet and the Employnet Client reserves the right to monitor any electronic, telephone, or other communications made using Employnet systems or property.

### Use of Company Vehicles

All Employnet and Client vehicles are to be used for business purposes only.

#### Use of Company Property

All Employnet and Client workspace, including file cabinets and lockers are the property of Employnet and must be available to management at all times. The use of personal locks on any company property is strictly forbidden. No Company property may be used to house personal files or items. No Company equipment, including computers, photocopiers or printers may be used for personal business.

#### Postage, Shipping and Office Supplies

Postage, shipping and office supplies paid for by the company are for business purposes and are not to be used for an employee's personal purposes.

#### Personal Property

Employnet does not assume responsibility for any personal property located on its premises. Employees are to use their own discretion when choosing to bring personal property into the office and do so at their own risk. Additionally, employees may not bring or display in the office any property that may be viewed as inappropriate or offensive to others.

#### Personal Safety

The safety of each employee's health and security is very important to Employnet. Employnet is willing to make reasonable efforts to address an employee's safety concerns. Employees should remember to use caution and good judgment in all activities and should notify their supervisor or a human resource representative if they believe there is a safety issue that should be addressed.

#### Office Security

Shortly after an employee's start date, he/she may be given a key to gain access to the offices. The last employee to leave the office at night is responsible for making certain that all doors and windows are locked.

#### Monitoring & Searches

All company property is subject to monitoring and review at all times. This includes, but is not limited to, desks, lockers, company vehicles, computers and email files. Reasons for searches and reviews include, but are not limited to, personal abuse of company property, theft investigation and improper disclosure of confidential information.

Employnet and Client retain the right to conduct searches at any time. This includes the right to search individual computers or files, even if protected by a password. Any employee that attempts to obtain or alter a password for the purpose of accessing restricted files will be subject to disciplinary action, up to and including termination.