

Employee Handbook

**“Your life and
mine shall be
valued not by
what we take...
but by what
we give.”**

— Edgar F. Allen



Welcome to our Team!

We are so excited you are here. As a Family of Companies, our vision is to responsibly disrupt and transform the delivery of home and community-based services. With nearly 1,000 employees like yourself across our five organizations, we have the skills, passion and expertise needed to increase our societal impact, advance our vision and help non-profits thrive.

We hope that as part of our team, you feel the camaraderie and enthusiasm we all share in approaching our work in new and progressive ways while having the ability to create meaningful and lasting impact on the people and communities we serve.

This is an exciting time to join our team, and in order to help make your onboarding experience seamless, we developed this Employee Handbook to guide the way. In it you'll find an outline of our policies and values to ensure you understand the professional expectations that come with the great opportunity to create a lasting impact on our community and the evolution of home and community-based care.

We look forward to working with you!

A handwritten signature in black ink, appearing to read "Susan Armiger", with a long horizontal flourish extending to the right.

Susan Armiger
President & Chief Executive Officer
Family of Companies



LEARN ABOUT OUR FAMILY OF COMPANIES

As a collective set of organizations,
OUR VISION is understanding what the world needs now and proactively defining our future.

Courage Integrity Innovation Collaboration Passion Excellence



CATALIGHT
FOUNDATION

Established 2019
CEO Susan Armiger

Building capacity to care.

Catalight is a foundation that helps home and community-based organizations transform their business operations, so they can focus on growing and scaling efficiently. Catalight provides customers with strategic solutions, support and financial access, allowing them to break down internal barriers and expand their impact in the communities they serve.

Catalight is also the parent company in our Family of Companies where it provides executive oversight, strategic planning and shared services like finance, legal, compliance, human resources, business development, communications and clinical optimization.



Established 1927
CEO Jim Kelleher
Clients 1,400

Care simplified.

For nearly 10 decades, Easterseals Northern California has provided services to people with disabilities and their families, helping them live, learn, work and play to their full potential. Today, Easterseals Northern California is a powerhouse in the autism spectrum disorder (ASD) space and is setting a new standard of care. Easterseals Northern California is also a founding member of one of the nation's largest behavioral health networks delivering more than one million hours of clinical services annually to people in need across Northern California.



Established 1946
CEO Jim Kelleher
Clients 2,400

Creating communities of Aloha.

Since its inception, Easterseals Hawaii has provided exceptional, individualized, family-centered services to tens of thousands of people with disabilities or special needs. It is the state's largest provider of Early Intervention services for infants and toddlers, and is one of the state's largest providers of Medicaid Waiver services for adults with developmental disabilities. Easterseals Hawaii's passionate and enthusiastic team is committed to helping individuals achieve their objectives and live independent, fulfilling lives.



Established 2012
CEO Susan Armiger
Clients 11,600

Connect to better care.

Since the Behavioral Health Provider Network (BHPN) started in 2012, it has made a significant impact on the lives of children and individuals living in Northern California. As one of the largest and fastest-growing behavioral health networks in the U.S., its nearly 100 providers are setting the industry standard for care and case management, making it as efficient and effective as possible. In doing so, the BHPN is driving operational excellence and helping customers optimize the cost of care delivery, while enabling the people they manage to live more independent and fulfilling lives.



Established 2019
CEO Susan Armiger

Technology that cares.

Xolv Technology Solutions was officially formed in 2019 and was born out of our unique care delivery background and unmatched domain expertise. From its innovative, user-friendly solutions to its clinical assessments and consumer applications – the breadth and depth of the Xolv's team helps our customers and families thrive in today's complex health care system.

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Introduction

1 Introduction

This Handbook is intended to help employees become acquainted with the Family of Companies (FoC). It describes, in general terms, the FoC's employment guidelines and certain standards and policies. We hope that this Handbook serves as a useful reference throughout your employment. Employees affiliated with the Catalight Foundation, Easterseals Northern California (ESNorCal), Easterseals Hawaii (ESH), the BHPN and Xolv are FoC employees and are covered under this Handbook. Some of the policies contained within this Handbook do not apply, or are applied differently, to ESH employees. In such instances, State differences will be called out in the relevant sections, and for benefits, ESH employees will be directed to an addendum to this Handbook.

While we believe that you will find this Handbook helpful and informative, you should know that the guidelines and policies set forth below are not intended to constitute a contract (expressed or implied) or intended to create any legally-enforceable obligation on the part of the FoC or its employees. This Handbook replaces and supersedes all previous personnel policies and procedures, practices and guidelines. In addition, since the FoC is a growing and changing organization and is an at-will employer, it reserves the right, at its sole discretion, to modify or delete the provisions of this Handbook (other than the Employment at Will policy), and the policies and procedures on which they are based, at any time. We therefore encourage you to check with People & Performance to obtain information regarding the status of any particular policy, procedure or practice. No individual other than the President/CEO of the FoC, as authorized by the FoC Board of Directors, has the authority to enter into any employment or other agreement that modifies the FoC policy.

Nothing in this Handbook is intended to unlawfully restrict an employee's right to engage in any of the rights guaranteed them by Section 7 of the National Labor Relations Act, including but not limited to, the right to engage in concerted protected activity for the purposes of their mutual aid and/or protection. Nothing in this Handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in the exercise of these Section 7 rights. Please read this Handbook in its entirety. You will be expected to "accept" the electronic acknowledgment form provided with this Handbook, to indicate that you have reviewed the Handbook.

While this Handbook covers many issues relevant to your employment, we understand that you might have specific questions not fully addressed by this Handbook. If you have additional questions, we encourage you to contact People & Performance.

Our corporate office is located at:

**2730 Shadelands Drive, Bldg. 10
Walnut Creek, CA 94598
(925) 266-8400**

The FoC's President/CEO, People & Performance, and members of and the FoC's Board of Directors may be reached through the corporate office.

NOTE TO NON-CALIFORNIA EMPLOYEES AFFILIATED WITH THE CATALIGHT FOUNDATION, ESNORCAL, THE BHPN AND XOLV: If local or state law provides you with greater benefits or protections than those outlined herein, the FoC will comply with those local and state laws. If you have any questions, please contact People & Performance.

1.1 Code of Conduct

The Family of Companies' (FoC) Code of Conduct reflects our collective commitment and responsibility to provide the best service, practice ethical business behavior, meet rigorous professional standards, comply with laws, regulations and policies that govern our work, and to uphold our organization's reputation. It also provides the mechanisms for asking questions, and reporting concerns or suspected violations without fear of retaliation.

The Standards described in our Code below, along with our Mission Statement, Purpose and Values serve as guidance in promoting ethical, honest and lawful decisions and actions for you, as a member of our FoC Community.

This Code and its related policies may not address every possible situation you may encounter, so it is up to you to use sound judgement and seek help whenever you need it. Talk to your supervisor, or contact People and Performance, Quality or the Office of Risk Management (ORM) if you have any questions. In the event that more than one policy applies to any situation, all such policies will be applied to the fullest extent possible. If there is a conflict or gap in the individual policy provisions, the provisions of the policy that is most consistent with the Values of the FoC and compliance with the law will be applied.

1.2 Gifts, Gratuities and Business Courtesies

The FoC will avoid any actions that create a perception that favorable treatment of outside entities, clients and stakeholders by the FoC was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom the FoC does or may do business and provides services. We will not give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of the FoC or clients, or would reflect negatively on the FoC's reputation.

FoC employees should discourage the acceptance of gifts from clients and business associates. In rare instances, employees may accept gifts which are of nominal value, perishable and are to be shared with office staff, e.g., cookies, chocolates, flowers, fruits, etc. Gifts of a personal nature are **not** permitted, e.g., perfume, clothing, etc.

FoC employees are discouraged from offering gifts to or receiving gifts from vendors even if such gifts are occasional and of nominal value and perishable. In rare instances, gifts such as cakes, chocolates, flowers, etc. which are to be shared with office staff might be accepted.

Under no circumstances will any member accept cash or cash equivalents as gifts, e.g., gift cards, dining vouchers, tickets to sports, golfing or other entertainments, stocks, bonds, etc.

As a general rule, the value of the gift must be reasonable (not to exceed twenty-five dollars, \$25). Anything over this amount will need to be submitted to the Office of Risk Management for review before acceptance.

1.3 Equal Employment Opportunity

It is a policy of the FoC to provide equal employment opportunity for all applicants and employees. The FoC does not discriminate on any basis protected by law, meaning that we do not base employment decisions on any Legally Protected Characteristic possessed by the individual. The term "Legally Protected Characteristic" in this policy means: race (including hairstyle and hair texture); color; religion (including religious dress and grooming practices); sex (including pregnancy, childbirth, or related medical conditions, breastfeeding, and conditions related to breastfeeding); gender; gender identity and gender expression; national origin; ancestry; age (age 40 and over); physical or mental disability; legally-protected medical condition; military and/or veteran status; marital status; domestic partner status; sexual orientation; genetic information; lawful change of name; Social Security Number or federal employment authorization document; receipt of Medi-Cal coverage; California driver's license with a "federal limits apply" notation; civil union status; arrest or court record, citizenship, credit history, genetic information, gender identity or expression, domestic violence, sexual violence, or stalking victim status; reproductive health decision; and any other basis

protected by state or federal laws. When necessary, the FoC offers reasonable accommodations to qualified individuals with physical or mental disabilities to the extent the accommodation will enable them to perform the essential functions of the job and will not create an undue hardship. The FoC also offers reasonable accommodation for an employee's religious beliefs or observance, and for employees disabled by pregnancy who request an accommodation, with the advice of their health care providers, for pregnancy, childbirth, or related medical conditions, and any domestic violence, sexual violence, or stalking victims.

The FoC prohibits discrimination and harassment based upon the Legally Protected Characteristics stated above. For information about the types of conduct that can constitute impermissible discrimination or harassment, the FoC's internal procedures for addressing complaints of discrimination or harassment, please refer to the FoC Policy Preventing Discrimination, Harassment and Retaliation located in Section 3.1 - Workplace Safety of this Handbook.

This policy applies to all aspects of employment, including hiring, assignments, training, promotion, compensation and benefits, transfers, layoffs, recalls, leaves of absence, employee discipline and discharge and all other terms and conditions of employment. It prohibits basing any employment decision on any Legally Protected Characteristic. It is the responsibility of every manager and employee to conscientiously follow this policy.

If you have questions or concerns about any type of discrimination, the FoC encourages you to bring them to the attention of People & Performance. You can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of prohibited discrimination will be subject to disciplinary action, up to and including termination of employment. Any employee who has questions regarding this policy should discuss them with People & Performance.

1.4 Cultural Responsibility Policy

The FoC recognizes, respects and responds to the culturally and linguistically diverse population. We also appreciate diversity within our workforce and understand that the heterogeneity of our employees enhances our capabilities towards meeting the needs of our clients and communities. Furthermore, as a leader in the field of providing behavioral health treatment services, we are conscious that our practices influence standards within the industry. For all these reasons, we consider it vital to foster a culture where the uniqueness that each individual brings to the FoC is appreciated and channeled towards meeting the needs of our clients and the communities we serve.

1.5 Accessibility Policy

The FoC assesses accessibility needs for clients, staff and other stakeholders, and implements an ongoing process for identification of barriers and subsequent removal of barriers that are in the organization's control. A large part of the FoC accessibility work is to engage in advocacy and outreach so that we are part of the change process in legislative decisions, education and service provision.

1.6 Employment At Will

The FoC follows a strict policy of "at will" employment. Under this policy, all employees are free to leave the FoC at any time for any reason, and the FoC reserves a similar right to terminate an employee's employment. Thus, both the FoC and employees may terminate the employment relationship at any time, with or without cause or prior notice. This is called "employment at will." The FoC retains such discretion to take other actions as well, such as transfer, reassignment or disciplinary action. In addition, because the employment relationship is at will, the FoC may change its employment policies from time to time at its discretion.

No one other than the Board of Directors of the FoC, or the President/CEO as authorized by the Board, may alter this "at will" arrangement. To be valid, any such agreement must be in writing and signed by the Chair of the Board of Directors of the FoC, or the President/CEO as authorized by the Board.

1.7 False Claims Act

The False Claims Act established under §§3729 - 3733 of Title 31, United States Code, is an American federal law that imposes liability on persons and companies who “knowingly” defraud governmental programs.

The act establishes liability when any person or entity receives or avoids payment to the Federal Government. The Federal Claims Act defines “knowing” and “knowingly” as knowledge that will have been proven for purposes of the Federal False Claims Act if the person or entity:

- Has knowledge of the information.
- Acts in deliberate ignorance of the truth or falsity of the information.
- Acts in reckless disregard of the truth or falsity of the information.

The False Claims Act specifically provides that a specific intent to defraud is not required in order to prove that the law has been violated.

A person or entity found guilty of violating the law is obligated to repay all of the falsely obtained reimbursement and will be liable for a civil penalty of up to \$11,000, plus three times the amount of actual damages sustained by the government as a result of the violation of the Act. In addition to the liability for damages and civil penalties, violation of the Act can subject a person or entity to exclusion from participation in Federal health care programs, such as Medicare and Medicaid.

This includes but is not limited to:

- **Billing for Services Not Provided** - A provider bills for services not performed.
- **Double Billing** - A provider bills both Medicaid and a private insurance company (or recipient) for treatment, or two (2) providers request payment on the same recipient for the same procedure on the same date.
- **Billing for Phantom Visits** - A provider falsely bills the Medicaid program for patient visits that never take place.
- **Billing for More Hours than Provided** – Provides an inflated amount of time a provider spends with patients.
- **False Cost Reports** - Provider includes personal expenses in its Medicaid claims. These expenses often include the cost of personal items.

The False Claims Act permits individuals with knowledge of fraud against the federal or state government to file a lawsuit on behalf of the government against the individual/entity that committed the fraud. The False Claims Act provides a “whistleblower” protection.

Employment Requirements

2 Employment Requirements

2.1 New Hire Paperwork

For all new or rehired employees, pre-employment screens and paperwork must be completed on or prior to the first day of employment, including Form I-9, Employment Eligibility Verification. Appropriate original documents, as indicated on Form I-9, must be provided on the first day of employment.

For all non-employees, which includes the following categories, pre-employment screens, paperwork and/or training is also required before beginning any work on behalf of the FoC. Refer to policy requirements with People & Performance.

- Temporary Workers
- Independent Contractors
- Consultants
- Student Interns
- Volunteers

2.2 Personal Transportation

All employees required to drive personal vehicles on company business must provide proof of current valid driver's license for the state in which you work, vehicle insurance identification card, and acceptable driving record per the FoC's insurance carrier's underwriting standards as a condition of employment.

If driving is an essential job function of an employee's position, and the employee does not meet the acceptable standards, the employee will be placed on administrative leave for further review of the specific circumstances surrounding the individual, and appropriate action will be taken up to and including possible termination. Proof of driver's license renewal prior to expiration of license and current vehicle insurance identification card will also be required and must be provided to People & Performance once updated at each expiration.

California Employees: The Employer Pull Notice (EPN) Program is required for all California staff that is required to drive for work and provides employers and regulatory agencies with a means of promoting driver safety through the ongoing review of driver records. The FoC is assigned a requester code as an enroller in the EPN program. The requester code is added to an employee's driver's license (DL) record. When an employee's DL is updated to record an action/activity, a check is made electronically to determine if a pull notice is on file. If the action/activity is one that is specified to be reported under the EPN program, a driver record is generated and mailed to the FoC. The FoC's insurance carrier will also make periodic checks of Department of Motor Vehicles records of employees who drive as part of their jobs.

Hawaii Employees: You must also provide proof of current vehicle registration, no-fault vehicle insurance, and safety inspection record to be submitted on an annual basis.

2.3 Criminal Background Checks

California: All applicants offered a position with the FoC will undergo a post-offer fingerprint background check in accordance with Department of Justice (DOJ) requirements, as well as a background and Exclusion Screenings through the Office of the Inspector General (OIG), Medicaid suspended and ineligibility list, and the General Services Administration System Award Management Exclusion List.

Hawaii: All applicants undergo a post-offer fingerprint background check with the requirements of the Department of Health and the Department of Human Services for Federal and State checks, which also involves a fitness determination check (Adult Protective Services and Child Abuse and Neglect checks), and a background and Exclusion Screening through the OIG. People &

Employment Requirements

Performance has a primary responsibility for these processes and for communicating the results to the applicant/employee.

The fingerprint/LiveScan process provides the FoC with ongoing information from the DOJ on prior or present arrest notifications, charges and/or criminal convictions. The Exclusions Screening (e.g., OIG) process provides similar information related to past or present health care program related crimes and other adverse action taken against an individual or entity. People & Performance will review all DOJ, Federal Bureau of Investigation (FBI) and Exclusion Screening reports and analyze them in accordance with applicable local, state and federal laws and the position's duties and responsibilities to determine the individual's fitness for the particular position. This will be based on **risk assessment** and is **not intended** to be the sole factor in making employment decisions or determinations. It also provides the applicant/employee an opportunity to review the results and offer an explanation.

California: Any employees hired for direct care positions in licensed/non-licensed facilities and/or working in positions that have an opportunity for unsupervised consumer contact will be fingerprinted in accordance with the Department of Social Services, CA Health and Safety Code regulations, regulatory bodies and as a job requirement of employment. The cost of fingerprinting is paid for by the FoC.

2.4 Health Examination

Where required by licensing agents or other external regulating organizations, new employees working in specific programs may be required to undergo a health examination that may entail required vaccinations, screenings and tuberculosis (TB) screening provided by an FoC designee as a requirement of employment, with potential of regular TB screenings required thereafter.

In addition, new ESH employees are required to submit evidence of a negative TB test, current within one year, before starting work. ESH employees working under the Home & Community-Based Medicaid Waiver contract are required to provide a 2-step TB clearance prior to starting employment and 1-step on annual basis thereafter. Hepatitis B vaccinations will also be made available to these employees. The cost of health exams, TB screenings and hepatitis vaccinations will be paid by the FoC.

2.5 Licenses, Certifications and Credentials

Based on individual California and Hawaii state requirements, current licensure, certifications, specific credentials, and/or insurance coverage may be a condition of employment for some positions. Any practitioners providing direct services to clients who hold specific recognized licenses, including MFT, LCSW, Licensed Clinical Counselors, Licensed Psychologists, Speech Language Pathologists, Occupational Therapists, Physical Therapists, Licensed Clinical Psychologists, etc., must be credentialed by company regulators, even if the Practitioner's current role does not require the license. Employees are responsible for maintaining current licensure, professional registration or certifications and providing evidence of such to their supervisors, People & Performance and when required, to the Office of Risk Management. Expenses associated with all of the above are the responsibility of the employee.

2.6 Onboarding and Training Requirements

On the first day you report to work, you will begin New Hire Orientation and be required to complete the following training:

- New Employee Welcome Training (NEWT)
- Preventing Workplace Harassment, Discrimination and Retaliation/Respect in the Workplace
- HIPAA Compliance
- Safety – Emergency Operations Plan
- Safety – Blood Borne Pathogens
- Department and role specific training

Supervisors and managers may require additional training as required by the position.

3 Workplace Safety

3.1 Preventing Workplace Discrimination, Harassment and Retaliation

Purpose of Policy

The FoC is committed to providing a safe and healthy workplace, which is free of unlawful discrimination, harassment and retaliation. The FoC prohibits all employees, including supervisors and managers, from engaging in unlawful discrimination and harassment of any individual based on any Legally Protected Characteristic. This policy applies to all workers – not only employees but also to contractors, unpaid interns and volunteers. It both protects these workers and governs their conduct while engaged in FoC business and interacting with other FoC workers. The FoC strongly disapproves of and will not tolerate discrimination or harassment of workers by managers, supervisors, co-workers and others with whom employees come in contact, such as donors, clients and vendors.

Similarly, the FoC will not tolerate discrimination or harassment by its workers of non-employees with whom the FoC employees have a business, service or professional relationship. The FoC will not tolerate retaliation based on an employee's effort to complain in good faith about discrimination or harassment. Our workplace is not limited to the FoC's facilities, but may also include donor and vendor facilities, as well as anywhere a work-related activity is taking place.

In a situation where an inquiry regarding a complaint of discrimination or harassment reveals misconduct, the FoC will promptly institute appropriate corrective action, up to and including termination.

Harassment Defined

As a general matter, harassment includes verbal, physical and visual conduct that creates an intimidating, offensive or hostile working environment or that interferes with an employee's work performance.

Harassing conduct can take many forms and includes, but is not limited to, the following: epithets, slurs, derogatory comments or jokes, statements, gestures, assault, intimidation, negative stereotyping, threats, impeding or blocking another's movement or otherwise physically interfering with normal work; pictures, drawings, or cartoons placed on walls, bulletin boards or elsewhere on the FoC's premises or circulated in the workplace that denigrates, shows hostility or aversion towards an individual or group based on any Legally Protected Characteristic.

Whether or not the person means to give offense or believed his or her comments or conduct was welcome is not significant. Rather, the FoC's policy is violated when other workers, whether recipients or mere observers are, in fact, offended by comments or conduct based on any Legally Protected Characteristic, so as to disrupt their emotional tranquility in the workplace, interfere with their personal sense of well-being or affect their ability to perform their job as usual.

Sexual Harassment

Sexual harassment is defined as unwelcome sexual or gender-based conduct of any nature that creates an offensive or hostile work environment or unwelcome sexual conduct that is made a condition of working at the FoC. Sexual harassment, like other forms of prohibited harassment, will not be tolerated. Sexually harassing conduct includes requests for sexual favors, conversation containing sexual comments, and other unwelcome sexual advances. Sexual harassment is not limited to conduct motivated by sexual attraction or desire. Sexually harassing conduct can be by a person of either the same or opposite sex, regardless of their sexual orientation. It also may be in the form of non-sexual, offensive conduct that is directed at an employee because of their gender. This would include, for example, conduct based on the worker's gender identity; gender expression; pregnancy, childbirth or related medical conditions; and/or breastfeeding and related medical conditions.

Reporting and Investigating Discriminatory, Harassing or Retaliatory Conduct

Any worker who has questions, concerns or complaints about discrimination, harassment, or

retaliation is encouraged to report them through the complaint procedure outlined below. The FoC understands that victims of discrimination or harassment are often embarrassed and reluctant to report such acts of misconduct for fear of being blamed or retaliated against, or because it is difficult to discuss such matters openly with others. However, no employee should have to endure discriminatory, harassing or retaliatory conduct, and the FoC therefore directs workers and other providers to promptly report any incidents of discrimination, harassment or retaliation so that corrective action may be taken.

The FoC encourages any individual who believes they have been discriminated against, harassed or retaliated against in violation of this policy, or who has witnessed such conduct toward others, to report that conduct regardless of the identity of the offender (including vendors, clients, or other FoC business contacts). Reports should be made to People & Performance, in accordance with the Internal Complaint Review Policy described in Section XI below. An employee is not required to complain to People & Performance if the individual engaging in harassment is employed in the People & Performance Department. Instead, the employee may report their complaint directly to the President/CEO of the FoC. In addition, any individual may lodge a complaint of unlawful discrimination, harassment or retaliation with appropriate State agency and/or the U.S. Equal Employment Opportunity Commission, www.eeoc.gov.

Supervisors and managers who see, hear about, receive or learn of complaints or who observe discriminatory, harassing or retaliatory conduct should immediately inform People & Performance or the President/CEO so that the matter may promptly be investigated and addressed.

The FoC will not retaliate, nor will it tolerate retaliation, against workers who make good faith reports about discrimination, harassment or retaliation in the workplace, whether internally or to an outside agency, or for participation in any workplace investigation under this policy.

Every reported complaint of discrimination, harassment or retaliation will be investigated thoroughly and promptly, pursuant to the general procedure outlined here and in the Internal Complaint Policies. The investigation will be handled by qualified personnel in as confidential a manner as possible consistent with a full, fair and proper investigation, recognizing that some disclosure will be necessary to effectively investigate the complaint. The investigation and complaint process will give all parties notice to the nature of any allegations made against them and a meaningful opportunity to respond. All workers, including managers and supervisors, have a duty to cooperate in the FoC's investigation of alleged misconduct in violation of this policy. Investigations will be documented and tracked to ensure that reasonable progress is made, and timely closure achieved. Upon completing its investigation, the FoC will make findings and conclusions based on the evidence it has collected. If it determines that misconduct has occurred, the FoC will take appropriate remedial action.

Individuals found to have violated this policy will be appropriately disciplined. Discipline may range from a verbal or written warning to suspension or demotion, up to and including termination of employment. The FoC will communicate its findings and intended actions to the complainant and to the individual accused of misconduct. Failing to cooperate or providing false information during an investigation or retaliating against any worker who has made a report or otherwise participated in an investigation under this policy, will also subject the individual to disciplinary action, including termination.

Although the FoC has limited authority to discipline a non-employee harasser (such as a client, donor or vendor), it will take remedial action aimed at ensuring that the conduct stops.

3.2 Whistleblower Policy and Non-Retaliation

It is the FoC's intent to protect its integrity, ensure the highest standards of conduct among its employees, and adhere to all applicable laws and regulations. The FoC therefore encourages employees to report any reasonable belief that a legal violation has potentially occurred due to any policy, practice or activity by the FoC or its employees, clients or vendors. A report of any such potentially improper activity may be submitted on a confidential basis by the employee. The Compliance Helpline can be reached at 1-833-44-PROTECT or via the website at: <https://secure.ethicspoint.com/domain/media/en/gui/57698/index.html>. Alternatively, the employee may provide

an anonymous report, but anonymous reports must include sufficient specific facts to enable the FoC to investigate the matter.

The FoC will not retaliate against an employee who, in good faith, reports any potentially improper activity. Nor will the FoC tolerate any other employee retaliating against or attempting to influence the employee. Any employee who does so will be subject to discipline, up to and including termination of employment.

The FoC will conduct a prompt and appropriate investigation into all reports of potentially improper activity. All employees are required to cooperate with the FoC's internal investigations by providing any requested information and truthfully and fully answering questions. Failure to cooperate with or impeding an investigation, or knowingly providing false information, will result in disciplinary action. Reports of potentially improper activity and related investigations will be kept confidential to the extent possible, consistent with the need to conduct an appropriate investigation.

Anyone found to have engaged in improper activity will be subject to disciplinary action up to and including termination of employment. Civil liability or criminal prosecution of the wrongdoer may also result.

3.3 Recognizing and Preventing Workplace Violence

The FoC is committed to providing a workplace that promotes the health, safety and productivity of its employees and the people we serve. With that important goal in mind, employees are expected to treat each other, clients and other persons with whom the FoC conducts business with courtesy and professionalism. The FoC will not tolerate violence, threats of violence or other conduct that harms or threatens the safety of employees or others in the work- place. This policy applies to both on-site and off-site locations where FoC business is conducted, and to FoC-sponsored events.

“Violence” refers to any intentional or reckless act that harms persons or property. “Threat” refers to any verbal or physical conduct that threatens property or personal safety, or that reasonably could be interpreted as intent to cause harm. Prohibited conduct includes but is not limited to:

- Any act or threat of violence towards person or property.
- Actions or statements that, either directly or indirectly, tend to cause another to reasonably fear for his or her safety or the safety of family, friends, associates or property.
- Actions or statements, including harassment, epithets and intimidation, that have the purpose or effect of creating fear in a reasonable person.
- Participation in or encouragement of a physical altercation, attempted bodily injury or physically abusing any employee or visitor.
- The use of any instrument to injure, threaten, or intimidate.
- Use or possession of any firearm, explosive or weapon of any kind.

All employees, temporary workers and independent contractors must remain alert to possible violations of this policy and immediately report any act or threat of violence affecting them or anyone else in the workplace. Reports can be made to People & Performance. Emergencies and imminent threats of harm should immediately be reported to the police or other emergency personnel.

Required reporting includes but is not limited to:

- Violence or threats affecting the workplace that a person experiences, witnesses or otherwise becomes aware of, made by anyone, regardless of that person's relationship to the FoC or its employees.
- Any conduct, verbal or physical, that indicates a person may intentionally harm themselves in the workplace.
- Violence or threats occurring off-site where there is reason to believe the conduct may threaten on-the-job safety.

Reports made under this policy will be investigated and addressed as appropriate. Violations of this

policy will lead to disciplinary action up to and including termination of employment. Civil and/or criminal prosecution also may be pursued, as appropriate.

In addition, employees who apply for or obtain a protective or restraining order that identifies the workplace as a protected area are strongly encouraged to notify People & Performance by providing a copy of the order.

To assist the FoC in its efforts to maintain a violence-free workplace, employees are strongly encouraged to notify People & Performance about any potentially violent situation outside of work that could result in violence in the workplace. Employees who become aware of any other workplace security hazards or who have suggestions for increasing security in the workplace should also speak with People & Performance.

3.4 Recognizing and Preventing Workplace Bullying

The FoC does not tolerate bullying of its employees. Bullying is any conduct that a reasonable person would find hostile, offensive and unrelated to the FoC's legitimate business interests, and is defined as "repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment." Such behavior violates the FoC's Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

The purpose of this policy is to communicate to all employees, including supervisors, managers and executives, that the company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination.

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when meting out discipline. As with harassment, it is the effect of the behavior upon the individual that is important. The FoC considers the following types of behavior examples of bullying:

- **Verbal Bullying:** Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.
- **Physical Bullying:** Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person's work area or property.
- **Gesture Bullying:** Nonverbal threatening gestures or glances that convey threatening messages.
- **Exclusion:** Socially or physically excluding or disregarding a person in work-related activities.

Employees who become aware of any workplace bullying incidents or who have suggestions for increasing security in the workplace should speak with People & Performance.

3.5 Drug-Free Workplace

The FoC has a longstanding commitment to provide a safe and productive work environment. Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, the FoC is committed to the elimination of drug and/or alcohol use and abuse in the workplace.

Drugs

The FoC has established a policy banning employees from being under the influence of, manufacturing, dispensing, distributing, using or possessing illegal or illegally obtained controlled substances on FoC property or while engaged in FoC business. Illegal drugs, as referred to in this policy, include drugs that are not legally obtainable, as well as drugs that are legally obtainable but used for illegal or unauthorized purposes. Illegal drug use is extremely harmful to employees' health, interferes with productivity and alertness and an individual under the influence of drugs is a danger to themselves, co-workers and clients. Any employee found using, under the influence of, in possession of, dispensing, distributing and/or selling illegal or illegally obtained controlled

substances or in any condition impairing the employee's work performance due to drug use while on FoC property or while conducting FoC business will be subject to discipline, up to and including termination. Such violation may also have legal consequences.

The legal use of prescribed drugs is permitted on the job in California only if it does not impair your ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace. If you are taking prescribed drugs which may affect your attentiveness, cause drowsiness, or otherwise impair your abilities, please notify your supervisor or People & Performance of this fact so modifications to job duties can be made if appropriate.

Alcohol

The FoC has established a policy prohibiting employees from being under the influence of alcohol or consuming alcohol while on FoC property or while engaged in FoC business. Any employee found under the influence of alcohol or consuming alcohol while on FoC property or while conducting FoC business will be subject to discipline, up to and including termination.

Alcohol Served at FoC Fundraising and Social Events

The FoC organizes fundraising and social events where alcohol is served. Staff scheduled to work in any capacity at such events as compensated employees must abide by the FoC's policy prohibiting them from consuming or being under the influence of alcohol.

There is no prohibition against consumption of alcohol by volunteers. However, all employees, volunteers, employee volunteers and employees attending an event as a guest must conduct themselves in accordance with the FoC's expectations of professional conduct.

Employees who have not attained the legal drinking age, whether attending events as volunteers, guests or workers, are prohibited from consuming alcohol at the organization's places of business and/or FoC-sponsored events.

Marijuana

The FoC has established a policy prohibiting employees from being under the influence of marijuana, which remains illegal under federal law, while on FoC property or while engaged in FoC business. Any employee found under the influence of marijuana or smoking and/or consuming marijuana while on FoC property or while conducting FoC business will be subject to discipline, up to and including termination.

Employee Assistance Program (EAP)

The FoC takes pride in the skills and abilities of all our employees. Supporting our employees to stay healthy, both physically and emotionally, is important to us. The FoC realizes that individuals sometimes experience personal and family problems which may affect job performance. Therefore, all FoC employees have access to an Employee Assistance Program (EAP).

California Employees: Please reference the People & Performance Confluence pages for details on the EAP.

Hawaii Employees: Please see the ESH Benefits Addendum for more details on the ESH EAP.

3.6 Smoke-Free Workplace

It is the policy of the FoC to prohibit smoking on all company premises to provide and maintain a safe and healthy work environment for all employees. The law defines smoking as the "act of lighting, smoking or carrying a lighted or smoldering cigar, cigarette or pipe of any kind." The FoC also prohibits the use of electronic nicotine delivery systems, such as electronic cigarettes, electronic hookahs and other vapor emitting devices, with or without nicotine content, that mimic the use of tobacco products, anywhere in the workplace.

The smoke-free workplace policy applies to:

- All areas of company buildings.
- All company-sponsored off-site conferences and meetings.

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- All vehicles owned or leased by the company.
- All visitors (customers and vendors) to the company premises.
- All contractors and consultants and/or their employees working on the company premises.
- All employees, temporary employees and student interns.

In California, smoking is permitted in parking lots only and must be at least 25 feet from any entrance.

In Hawaii, smoking is permitted if at least 20 feet away from all entrances, exits, windows that open, and ventilation intakes. Smoking is not permitted in any enclosed or partially enclosed areas.

Employees who violate the smoking policy will be subject to disciplinary action up to and including immediate discharge.

3.7 Safety Program

The FoC is committed to providing and maintaining a healthy and safe work environment for all employees. Accordingly, the FoC has instituted an Emergency Operations Plan designed to protect the health and safety of all personnel. A complete copy of this plan is kept by Facilities and is available at the front desk of each field office and on Confluence.

In addition, many sites have program-specific safety rules. Employees are required to familiarize themselves and comply with all safety rules. It is every employee's obligation to report immediately to their supervisor or to People & Performance any potential health or safety hazards and all injuries or accidents, so they can be promptly investigated and addressed.

Emergency Exit Alarm Procedures

All employees are responsible for following proper procedures at all FoC office locations that are outfitted with building access and emergency exit alarm systems. All building evacuations will occur when an alarm sounds and/or upon notification by FoC Management, Public Safety (Police), or Fire Department personnel.

When the building evacuation alarm is activated during an emergency or drill, leave by the nearest marked exit and alert others to do the same. Remember that elevators should never be used during an emergency evacuation situation. Assist persons with disabilities in exiting the building. Two or three individuals may carry the persons with disabilities from the building if the persons with disabilities cannot negotiate the stairs. If persons with disabilities cannot be transported from the building without using an elevator – assist person with disabilities to a safe area and notify emergency personnel immediately. Once outside, proceed to the designated staging area. This should be a clear area that is at least 500 feet or further, depending on the type of incident, away from the affected building. Stay there until instructed to depart or return to the building by the designated Security Officers. Keep streets, fire lanes, hydrant areas and walkways clear for emergency vehicles and personnel. Immediately notify emergency personnel of any injured persons and individuals remaining in the affected building.

Do **not** return to an evacuated building unless told to do so by emergency personnel or by building or FoC Management.

3.8 Badge Policy

All employees and non-employees will be issued and must wear and visibly display photo identification badges as provided by the FoC. Identification badges must be worn in a manner that allows the identification of an employee by photo, first and last names, position, credentials, and department/office. This badge may also provide computer log in capability and location access to areas through keyless entry. Employees who forget or misplace their identification badge will be given a temporary badge by the front office personnel that clearly indicates their employment with the FoC and the department they work in. IT-Security issues employee badges.

Non-employees will be issued temporary badges which shall be worn at all times while the non-employee is on FoC property. Such badges' validity shall be limited to one FoC property only. IT-Security or front office personnel will issue badges.

3.9 Suspicious Mail Policy

Front office employees are obligated to ensure the proper check in and out of all those entering and exiting FoC office locations and receive incoming and outgoing mail. All suspicious mail will be evaluated and handled by the designated department at each location.

Workplace Expectations

4 Workplace Expectations

4.1 Conflicts of Interest

FoC employees are expected to act in the best interest of the organization, and its clients and families at all times. Employees should avoid engaging in outside activities that might compromise or negatively impact their job performance, including outside employment. Any outside employment must not impact or interfere with the employee's job responsibilities, including any expected or required overtime, mandatory seminars/training or any required business travel. It is your responsibility to notify your supervisor, in writing, of any outside employment.

A conflict of interest occurs if outside activities or personal interests influence, or appear to influence, the ability to make objective decisions on behalf of the FoC.

Employees must avoid any relationship or activity that might impair, or even appear to impair, their ability to make objective and fair decisions when performing their jobs.

Conflicts of interest could arise in the following circumstances:

- Hiring or supervising family members or closely related persons.
- Serving as a board member for a competing organization.
- Owning or having a substantial interest in a competitor, supplier or contractor.
- Accepting gifts, discounts, favors or services from a current or potential customer, competitor or supplier.

Employees are required to disclose any actual or potential conflict of interest to the Office of Risk Management. Conflict of interest questions may be directed to the Office of Risk Management or People & Performance.

4.2 Non-Fraternization/Policy With Regard to Family Members

In order to promote the efficient operation of the FoC's business and to avoid misunderstandings, complaints of favoritism (whether justified or not), other problems of supervision, security and morale, and possible claims of sexual harassment, managers and supervisors are strongly encouraged not to date or pursue romantic or sexual relationships with employees whom they directly or indirectly supervise. Managers and supervisors who are engaged in a dating or romantic relationship with a subordinate must immediately report that relationship to People & Performance. Employees in a direct or indirect supervisory relationship who begin dating or become involved in an amorous relationship with one another, who enter a domestic partnership or who become married or related to one another during their employment, may request a transfer to comply with this policy. The FoC will attempt to accommodate such requests but reserves the sole right to deny such requests based on business needs.

Spouses, siblings, or extended family members may be employed if their family members will not directly or indirectly supervise them at any time and if employment will not create problems of supervision, security, morale or a potential conflict of interest. Employees are responsible for reporting existing family relationships to People & Performance at the time of hire.

4.3 Use of FoC Technology, Email and Internet

The use of the FoC's electronic mail (email) system, instant messaging ("chat") system, mobile phones, laptops, desktops, tablets and all electronic equipment is reserved solely for FoC business. Please refer to **Section 6, Security and Confidential Information** for additional information regarding monitoring of email. The FoC's email system may **not** be used for:

- Personal business.
- To send (upload) or receive (download) trade secrets, proprietary financial information or similar materials without prior authorization.

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- Displaying or transmitting sexually explicit images, messages, or cartoons, or transmitting any e-mail or Internet communications that contain ethnic slurs, racial epithets or anything that may be construed as harassment or disparagement of others based on a Legally Protected Characteristic.

Right to Monitor

The FoC reserves and intends to exercise the right to review, audit, intercept, access and disclose all messages created, received or sent over its email and instant messaging systems for any purpose. This includes but is not limited to monitoring sites visited by employees on the Internet, and reviewing material downloaded or uploaded by users to the Internet using FoC equipment and/or systems. Employees should understand that their use of the FoC's electronic system is not private. The contents of emails and instant messages properly obtained for legitimate business purposes may be disclosed within the organization without the permission of the employee. The President/CEO or your immediate supervisor with prior authorizations from People & Performance may authorize any monitoring of emails and instant messages.

Internet Use

FoC employees may be provided with access to the Internet to assist them in performing their jobs. The Internet can be a valuable source of information and research. Use of the Internet, however, must be tempered with common sense and good judgment. Employees are not to use company time, devices or the Internet for personal social media use. Abuse of Internet access may result in civil and criminal liability, and/or disciplinary action, up to and including termination of employment.

Cell Phone Use and Handheld Texting Device Policy

Business calls and/or text messages to and from cellular phones, iPhones, or other portable, electronic devices are business communications and subject to the same restrictions as other FoC communications. Your FoC issued cell phone or other device is to be used for FoC business and for a limited number of unavoidable personal calls or messages occurring during work hours. The Hotspot on your cell phone should only be used for work purposes and disabled when not in use. This data use is monitored and tracked by the FoC.

Because the FoC's first priority is the safety of its employees as well as others, you may not use your cell phone or other device in a manner that impairs the operation of your vehicle. Texting, streaming video, taking photos or otherwise operating your phone with your hands while driving is strictly prohibited.

Right to Review

The computers and computer accounts assigned to employees are to assist them in performance of their jobs. The FoC reserves and intends to exercise the right to review, audit, access and disclose any document that has been created, stored, sent or received on the organization's computer system. Employees should have no expectation of privacy in the use of the FoC's computer system.

Blocking of Inappropriate Content

The FoC may use software to identify inappropriate or sexually explicit Internet sites. Such sites may be blocked from access by FoC networks. In the event employees nonetheless encounter inappropriate or sexually explicit material while browsing on the Internet, employees are instructed to immediately disconnect from the site, regardless of whether the site was subject to the organization's blocking software, and to report the site to IT.

Duty to not Waste Computer Resources

Employees must not deliberately waste computer resources or unfairly monopolize resources to the exclusion of others during work time. These activities include, but are not limited to, sending mass mailings or chain letters, spending excessive amounts of time accessing the Internet, playing games, watching videos, engaging in online chat groups, printing multiple copies of documents,

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or otherwise creating unnecessary network traffic. Because audio, video and picture files require significant storage space, files of this or any other sort may not be downloaded, unless they are business-related.

Prohibited Activities

Material that is fraudulent, harassing, embarrassing, sexually explicit, profane, obscene, intimidating, defamatory or otherwise unlawful, inappropriate, offensive (including offensive material concerning any Legally Protected Characteristic) is a violation of the FoC's equal employment opportunity policy and its policies against sexual or other harassment, may not be downloaded from the Internet or displayed or stored in the FoC computers. Employees encountering or receiving this kind of material should immediately report the incident to their supervisors or to People & Performance. The FoC's policies regarding equal employment opportunity and its policies against sexual or other harassment apply fully to the use of the Internet and any violation of those policies is grounds for discipline up to and including termination.

Co-Worker Email Messages

Employees are not authorized to retrieve or read any email messages for which they are not the intended recipients. Employees may not attempt to gain access into another employee's email messages or equipment without the latter's permission, except as noted under "Right to Review" above.

Organizational Representation

An employee involved in an online discussion who self-identifies as an FoC employee may be perceived as speaking on behalf of the organization. All messages should be composed in such a way as to reflect the FoC's standards for professional and responsible communications.

Disclaimer of Liability

The FoC is not responsible for material viewed or downloaded by users from the Internet. The Internet is a worldwide network of computers that contains millions of pages of information. Users are cautioned that many of these pages include offensive, sexually explicit and/or inappropriate material. Even innocuous search requests may lead to sites with highly offensive content. In addition, having an email address on the Internet may lead to receipt of unsolicited email containing offensive content. The FoC will make best efforts to filter any offensive material to minimize inconveniences; employees are invited to report any such offensive message to the Information Security department and People & Performance so additional precautions can be taken.

4.4 Personal Social Media Activity

The FoC respects the rights of its employees to use blogs and other social media tools as a form of self-expression and communication. However, if you identify yourself as an FoC employee or your affiliation with the FoC is well known, what you say will have an impact on the FoC, our employees and donors. Be aware that posting inappropriate information or content on Social Media potentially brings disrepute either to the FoC or to you in your capacity as an FoC employee. Because Social Media typically is public space, we request that you be respectful to the FoC, our employees, our donors, our partners and affiliates and others (including our competitors). **Under no circumstances, unless expressly approved by the Chief Marketing & Impact Officer, may you act as a Spokesperson of the FoC.** Our expectations for employee's personal social media efforts are:

- If you choose to identify yourself as an FoC employee in Social Media, you are expected to also make clear to your readers that the views you express do not necessarily reflect the views of the FoC, by posting a disclaimer in a prominent place (e.g., "The views expressed are mine alone and do not necessarily reflect the views of my employer.").
- If you post any comment that promotes or endorses the FoC products or services in any way on

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- any Social Media, the law requires that you disclose that you are employed by the FoC.
- You may not disparage the FoC, our employees, products or services.
- Protect the FoC's confidential and proprietary information, and that of its donors, partners and vendors. Such information includes, but is not limited to, membership lists, donor files, computer records, financial and marketing data, formulas and research data.
- Respect your audience and your co-workers.
- Be aware of and follow copyright and fair use laws. For your protection as well as the FoC's, you must comply with all laws governing copyright and fair use of copyrighted material owned by others. This means, for example, that you may not publish copyrighted material without the permission of the copyright owner, whether that is the FoC or a third party.

This policy is not intended to infringe in any way on FoC employees' legal rights to discuss the terms and conditions of their employment with other FoC employees for their mutual aid and benefit. Instead, it seeks to balance the FoC's legal duties and legitimate business objectives with employees' protected rights in this regard.

To summarize, FoC employees are expected to exercise good judgment when using Social Media. Be aware that there may be consequences to what you post or publish online. These consequences may include discipline up to and including dismissal if the conduct violates FoC policy or if the FoC determines that your posting or publication is not legally protected and harms (or has the potential to harm) the FoC's legitimate business interests and obligations toward its employees and affiliates.

4.5 Video Surveillance Use

The FoC may monitor activity through the use of video equipment; video surveillance does not include audio surveillance. This excludes places where employees should expect to have privacy, such as restrooms and changing areas. Employees working at sites where video surveillance is in place will be advised of the location of video equipment, that activity is monitored through the use of this equipment, and that employees should not maintain an expectation of privacy in areas monitored by video.

Right to Review

The organization reserves and intends to exercise the right to review video recordings for any purpose. The contents of the video recording properly obtained for legitimate business purposes may be disclosed to internal and external sources without the permission of the employee whose activities have been recorded. See the FoC Standard Operating Procedures for additional information concerning video surveillance.

4.6 Pets in the Workplace

In creating a healthy, safe and respectful work environment, animals/pets are not allowed in the FoC workplace unless they are part of a Service Animal Program. If they are part of a Service Animal Program, please contact People & Performance for prior review and to conduct an interactive process. Documentation may need to be provided.

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4.7 Children in the Workplace

The presence of children in the workplace with the employee parent during the employee's workday is inappropriate and is to be avoided except in emergency situations. This policy is established to avoid disruptions in job duties of the employee and co-workers, reduce property liability and help maintain the company's professional work environment.

If bringing a child to work with the employee is unavoidable, the employee must contact his/her supervisor as soon as possible to discuss the situation and obtain permission to have the child accompany the employee while working. Factors the supervisor will consider are the age of the child, how long the child needs to be present, the work environment in the employee's area and any possible disruption to the employee's and co-workers' work. A child with an illness will not be permitted to come to work with the employee.

A child brought to the workplace in unavoidable situations will be the responsibility of the employee parent and must be accompanied and be under the direct supervision of the employee parent at all times.

An exception to this policy is "bringing your child to work" days that may be organized at the organizational level.

4.8 Company Social Events

The FoC holds a variety of business and social events for employees, business partners, public officials, clients and the general public. Unless assigned a working role by your manager, your attendance at these events is voluntary and does not constitute part of your work-related duties as an employee. Whether you participate as a general attendee or in a formal work capacity, you are representing our brand and must maintain a level of decorum appropriate to represent the organization. In circumstances where alcoholic beverages are available at these events and you choose to drink, please do so in a responsible manner. Do not drink and drive. Instead, take a ride service or appoint a designated driver.

5 Employee Conduct

5.1 Standards of Conduct

It is the FoC's expectation that employees will conduct themselves in a professional and respectful manner and in compliance with our policies and procedures. The following list is not intended to be all-inclusive, but merely illustrates certain types of behavior the FoC deems unacceptable, and which may result in disciplinary action up to and including termination, with or without any written warnings.

Employees may be disciplined for misconduct, including but not limited to the following:

- Violation of any FoC policy.
- Violation of the FoC's Corporate Compliance Plan.
- Violation of any policy or provision included in this Handbook.
- Violation of any safety rule or practice or engaging in conduct which tends to create a safety hazard. This includes fighting, disorderly conduct, horseplay, or throwing objects.
- Any act of violence in the workplace.
- Possessing a firearm or other dangerous weapon, or using any item as a weapon, on FoC property or while conducting the FoC business.
- Being under the influence of, manufacturing, dispensing, distributing, using, or possessing an illegal or illegally obtained controlled substance on FoC property or while conducting FoC business.
- Failing to immediately report to the FoC any conviction under a criminal drug statute for conduct occurring in the workplace.
- Being under the influence of, manufacturing, dispensing, distributing, using, or possessing alcohol or marijuana on FoC property or while conducting FoC business, except as provided in the alcohol policy governing the FoC-organized fundraising and social events as described in this Handbook.
- Harassing, including sexually harassing employees, volunteers, patrons or donors.
- Violating conflict of interest rules
- Disclosing or using confidential, Protected Health Information (PHI), HIPAA and/or proprietary information without authorization.
- Falsification or unauthorized alteration of any client or employment-related files, documents and records.
- Theft of property (equipment, goods, and/or FoC proprietary information) or services.
- Use of profanity or harassing or abusive language or conduct.
- Insubordination such as refusal to perform any job or work assignment given by an employee's supervisor or by management.
- Refusal to cooperate in an investigation.
- Rude or inappropriate behavior towards FoC customers, families and donors; manager and/or supervisor; co-workers; or vendors.
- Misconduct, discourtesy, rudeness or inappropriate behavior of any kind and at FoC-organized fundraising or social events.
- Willful or negligent destruction of FoC property, client property or the property of another employee.
- Interfering with the work performance of others.
- Getting involved in any physical or verbal altercations or threats of violence.
- Gambling on the FoC premises or while conducting FoC business.

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- Sleeping or dozing on the job or leaving the job without authorization.
- Being convicted of a crime that indicates unfitness for the job or raises a threat to the safety or well-being of the FoC, its employees, volunteers, patrons, donors or property.
- Leaving your work area during work time for non-work-related activities without management's authorization.
- Failing to abide by specific policies governing on-the-job conduct.
- Failure to take/accurately record required meal periods and rest breaks.
- Spending non-incident work time on personal projects using client/company property, machines or time.
- Working unauthorized overtime.

5.2 Confidentiality

Our clients and other parties with whom we do business entrust the company with important information relating to their businesses. It is our policy that all information considered confidential will not be disclosed to external parties or to employees without a “need to know” related to their professional responsibilities. If an employee questions whether certain information is considered confidential, they should first check with their immediate supervisor and refer to the Non-Disclosure and Confidentiality Agreement. This policy is intended to alert employees to the need for discretion at all times and is not intended to inhibit normal business communications.

Any information that relates to a client in FoC care, and which includes any item that makes it possible to identify the patient or their family, is defined as confidential by law. All inquiries from the media must be referred to the Communications Department.

5.3 Attire and Grooming

The FoC considers the presentation of the FoC's image to its program participants, suppliers, donors, funders and the public at large to be extremely important. Since the FoC's product includes service, and excellent service can only be provided through its employees, the FoC seeks not only good performance and conduct from its employees, but also expects them to observe high standards in their personal presentation. Accordingly, while the FoC has no formal organizational dress code, it is expected that all employees dress in a manner consistent with good hygiene, safety, professionalism and program needs.

It is strongly recommended that all direct care employees wear closed toed shoes during client sessions. For client questions or concerns, please contact your direct supervisor.

Employees whose jobs require them to come in contact with program participants, suppliers, donors, funders or the public are expected to wear apparel the FoC considers appropriate for interacting with the public. This policy may be subject to certain exceptions related to an employee's religion and/or disability. To request a reasonable accommodation, please contact People & Performance.

More details for the ESH Dress Code may be found in the Benefits Addendum.

5.4 Safety in the Workplace

It is the responsibility of each employee to conduct all tasks in a safe and efficient manner, complying with all local, state and federal safety and health regulations and program standards, and with any special safety concerns for use in a particular area or with a client. Employees are required to follow established safety rules and to use reasonable care in avoiding on-the-job injuries. Employees are expected to familiarize themselves with safety rules applicable to their job responsibilities and program involvement. Employees are to avoid activities, such as horseplay and “rough-housing,” which can lead to injury both to employees and to program participants. Furthermore, management requires that every person in the organization assumes the responsibility of individual and organizational safety. Failure to follow company safety and health guidelines or

Employee Conduct

engaging in conduct that places the employee, client or company property at risk can lead to employee disciplinary action and/or termination.

Every employee must immediately report any unsafe condition to the appropriate supervisor of People & Performance. In the case of accidents that result in injury, regardless of how insignificant that injury may appear, employees should immediately notify People & Performance. Such reports are necessary to initiate Workers' Compensation benefits.

5.5 Progressive Discipline

Employees are expected to observe certain standards of job performance and conduct. Employees may be disciplined for poor job performance, including but not limited to the following:

- Below average work quality or quantity.
- Poor attitude (e.g., rudeness or lack of cooperation).
- Failure to follow instructions or FoC procedures and/or policies.
- Failure to follow established safety regulations.
- Excessive absenteeism, tardiness, or abuse of break and meal break privileges.
- Breach of patient confidentiality, accidental or otherwise.

It is the FoC's practice generally to advise employees of performance or disciplinary issues and provide them the opportunity to correct the issue. However, the FoC reserves the right to deviate from this general practice at any time at its sole discretion and with or without advance notice – for example, due to the severity of the offense, the circumstances under which it occurred, and the employee's duties. In addition, the FoC reserves the right to place an employee on administrative leave pending an investigation of possible misconduct. If the investigation does not lead to termination, the employee will be reinstated with or without back pay.

5.6 Criminal Activity/Arrests

Involvement in criminal activity, whether on or off FoC property, during employment may result in disciplinary action including suspension or termination of employment. Disciplinary action depends upon a review of all factors involved, including whether or not the employee's action was work-related, the nature of the act or circumstances which adversely affect attendance or performance. For California employees, any disciplinary action is not dependent upon the disposition of any case in court.

Employees are expected to be on the job, ready to work, when scheduled. Inability to report to work as scheduled as a result of an arrest may lead to being placed on administrative leave pending investigation and review. A result of the investigation could be disciplinary action, up to and including termination of employment, for violation of a policy, attendance policy or job abandonment.

6 Security and Confidential Information

The security of employees, employee property and FoC property are of vital importance to the FoC. All employees share responsibility to ensure that proper security is maintained. Employees should report immediately any breach of security to their supervisor, Information Security (IS) and Office of Risk Management (ORM).

FoC property includes tangible property such as computers, mobile devices, and workstations and intellectual property such as information of particular importance and/or proprietary information and confidential information.

Employees are required to safeguard FoC property assigned to them. Laptops and mobile devices must be accounted for at all times. Laptops must never be left in cars, including car trunks, or with third parties, such as a coat or baggage check. While at the workplace, employees are expected to lock access to their computer when they leave their computer workstation unattended.

Proprietary information includes all information obtained by FoC employees during the course of their work that:

- Is proprietary to, about or created by the FoC.
- Gives the FoC some competitive business advantage or the opportunity of obtaining such advantage.
- The disclosure of which could be detrimental to the interests of the FoC.
- Is designated as confidential information or trade secrets by the FoC, or from all the relevant circumstances should reasonably be assumed by you to be confidential and proprietary to the FoC.
- Is not generally known by non-FoC personnel. Membership lists, donor files, personnel files, computer records, financial and marketing data, formulas, research data and trade secrets are examples of confidential information.

Employees may not disclose or use proprietary or confidential information except as their jobs require. Care should be taken to protect confidential information from disclosure. It should be marked "confidential," kept out of sight, and stored in locked cabinets or drawers when not in use. Proprietary information should be retained or destroyed in accordance with FoC's Records Retention Policy.

In accordance with the federal Defend Trade Secrets Act, an individual shall not be held criminally or civilly liable under any State or Federal trade secret law for the disclosure of a trade secret that is made (1) in confidence to an attorney or to a government official, either directly or indirectly, for the sole purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation for reporting a suspected violation of the law may disclose the trade secret to their attorney and use the trade secret information in the court proceeding so long as the individual files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order.

6.1 Computer Security and Copying of Software

Software programs purchased and provided by the FoC are to be used only for creating, researching, and processing company-related materials. By using the FoC's hardware, software, and networking systems you assume responsibility for their use and agree to comply with this policy and other applicable FoC policies, as well as city, state, and federal laws and regulations.

All software acquired for or on behalf of the FoC or developed by FoC employees or contract personnel on behalf of the FoC is and shall be deemed FoC property.

Company users may not illegally duplicate any licensed software or related documentation. Unauthorized duplication of software may subject users and/or the FoC to both civil and criminal penalties under the United States Copyright Act. To purchase software, users must obtain the approval of their manager. All software acquired by the FoC must be purchased through Xolv only

Security and Confidential Information

and no applications should be downloaded otherwise.

Users may not duplicate, copy or give software to any outsiders including clients, contractors, customers, and others. Company users may use software on local area networks or on multiple machines only in accordance with applicable license agreements entered into by the FoC.

6.2 Media and Public Relations Policy

You may not speak or provide written comments to the media on behalf of the FoC without formal approval and media training. If you receive a request for comment or opinion, please direct the inquiry to communications@familyofcompanies.org. If you have any questions about this policy or are not certain what to do when such a contact is made, please contact Communications.

6.3 Personnel Records

The information in the employee's personnel file is confidential and must be kept up to date. Employees should update the People & Performance Information System (HRIS) immediately whenever there are changes in personal data such as address, telephone number, and person to notify in case of emergency, or inform People & Performance immediately when there are changes in personal data such as marital status, number and names of dependents, beneficiaries and tax-withholding information. The FoC will maintain the confidentiality of such information in accordance with its legal obligations.

An employee has the right to inspect or request a copy of their personnel file once per year within 30 days' receipt of the employee's written request. An employee may inspect only their own personnel file and only in the presence of a designated People & Performance staff member.

Personnel files are the property of the FoC and may not be removed from the FoC premises without written authorization from People & Performance.

6.4 Inspections and Searches

The FoC retains the right to access at all times, FoC premises and FoC property, computers, equipment, information, records, documents, and files. This includes access to information and communications stored in FoC computer files, disk drives, and in employee voice-mail boxes and electronic-mail systems. Employees should have no expectation of privacy in their use of FoC property and communication systems. The FoC also has the right to conduct routine searches or inspections of FoC property, which may include an employee's office desk, file cabinet, closet, bags, computer files, voice mail, electronic mail or similar places where employees may store FoC property or FoC-related information, whether or not the places are locked or protected by access codes and/or passwords. In addition, employees should remain aware that the FoC, at its discretion, for safety and security reasons, operates surveillance cameras.

FoC equipment is only to be used for work related items at all times. This includes internet usage, data and hot-spot online access. Inappropriate usage and over usage of data and internet could result in disciplinary action up to and including separation.

Inspections or searches may also be conducted whenever necessary by the FoC to address suspected misconduct, including a reasonable suspicion that an employee may be in possession of such materials as illegal drugs, alcohol, weapons or other harmful items. In addition, the FoC reserves the right to take appropriate action to prevent the unauthorized removal of FoC property from FoC premises.

Employees will be expected to fully cooperate in searches and inspections. Those who refuse to cooperate will be informed that the FoC will base any disciplinary decision on the information that is available, including their refusal to cooperate with a search, and that their failure or refusal to cooperate could deprive the FoC of information that may clear them of wrongdoing.

Because even a routine search for FoC property might result in the discovery of an employee's personal possessions, all employees are encouraged to refrain from bringing into the workplace any item of personal property that they do not wish to reveal to the FoC.

6.5 HIPAA

The FoC is involved in providing, or supporting the delivery of, health care. In these roles, we can be a “Covered Entity” or a “Business Associate” under the Health Insurance Portability and Accountability Act (HIPAA). As such, we have heightened responsibilities to protect confidentiality of information about our clients and their families. Not only is every one of our members personally responsible, but the law defines collegial responsibility when it comes to unnecessary disclosure of client information. These rules include mandatory sanctions for breach of confidentiality or of other client-related duties, with the sanction severity increasing for careless or willful breach of such duties. Please visit www.hhs.gov for more information on HITECH enforcement and specific consequences of items such as willful neglect and penalties both civil and criminal.

All employees are required to report immediately, without unreasonable delay, any unnecessary disclosure of protected information to the Office of Risk Management (ORM) and follow recommended procedures to minimize the risk of information leakage. HIPAA training is provided by the FoC and all employees must familiarize themselves with the 18 PHI identifiers.

6.6 PHI

One of the main concerns of HIPAA is misuse of client information. The law defines items of information that need special protection, and these can only be communicated when needed in the normal course of treatment, payment or health care operational purposes (TPO). These items are designated as “Protected Health Information” (PHI – and, in electronic form, ePHI).

Employees need to review use of any document or form containing PHI before using it, to see if the intended use is indeed necessary for TPO; and to remove any PHI that would not be the minimum necessary for the intended use. In case of doubt, please contact your supervisor, manager or Office of Risk Management.

6.7 Confidentiality of Employee Health Information

Any information regarding an employee's medical condition should be submitted directly to People & Performance, and not retained by any supervisor, manager or other employee. It is Company policy to restrict access to employee medical information to specified persons with a “need to know.”

6.8 Employment Reference Requests

The FoC only provides employment information regarding current or former employees to third parties through designated company representatives. Any employee, including supervisors, receiving a verbal or written request for verification of employment, salary verification or a request for an employment reference must forward such requests immediately to People & Performance. No employee or supervisor should provide a job reference or respond to any request for employment information.

As a matter of policy, in response to a request for an employment reference, People & Performance will only provide information regarding a current or former employee's dates of employment, positions held, duties performed, and rates of pay. The request for a job reference must be accompanied by a signed statement from the current or former employee authorizing the release of job-related information.

6.9 California Consumer Privacy Act

California Employees: The California Consumer Privacy Act ("CCPA") creates privacy rights relating to the collection, sale, disclosure, and deletion of consumers' personal information. The CCPA requires businesses to provide consumers, including job applicants and employees, with information about their rights, including a description of the categories of personal information to be collected and the purpose for which the information will be used. The FoC Disclosure Form is located on [Confluence](#) and is intended to advise you of this information.

7 Hours of Work, Categories of Employment and Paydays

7.1 Hours of Work and Work Schedules

The FoC's Corporate Office business hours are primarily Monday through Friday from 8:30 a.m. to 5:00 p.m. Established work hours for each center or program may vary as determined by the FoC to accommodate operational needs. The FoC reserves the right to modify employees' starting and ending times and the number of hours employees work. Furthermore, an employee's work hours may be modified by the employee's manager, according to business needs, which may change from time to time, in accordance with FoC policies and practices.

7.2 Categories of Employment

As used in this Handbook, categories of employment are designated as either "exempt" or "non-exempt" in accordance with the U.S. Fair Labor Standards Act (FLSA) and state law as follows:

A1 Exempt:

Employees who occupy certain executive, administrative, professional and computer professional jobs that are exempt from minimum wage and overtime requirements under federal and state law. The FoC compensates employees occupying exempt jobs based on the employees' salaried rates of pay.

A2 Non-Exempt:

All other employees who are paid on an hourly basis. Non-exempt employees may earn overtime pay based on the state-specific laws noted below. All overtime must be approved by your supervisor prior to being worked. Non-exempt employees who work unauthorized overtime may be subject to disciplinary action, up to and including termination of employment. Hours not worked (e.g., on a holiday, vacation or leave) but for which an employee is paid are omitted in computing an employee's eligibility for overtime pay.

California Employees: Unless an alternative workweek schedule has been adopted, all non-exempt employees who work more than eight (8) hours in one workday or more than 40 hours in one workweek will receive overtime pay, computed as follows:

- Overtime at the rate of 1.5 times the employee's regular rate of pay for hours worked in excess of eight (8) hours in one workday, over 40 in any one workweek, and up to eight (8) hours on the seventh day of work in any one workweek.
- Overtime at the rate of double the employee's regular rate of pay for all hours worked in excess of 12 in one workday, and for all hours worked in excess of eight (8) on the seventh consecutive day of work in one workweek.

Hawaii Employees: Non-exempt employees are paid an over-time rate of 1.5 times the regular straight time rate for all hours actually worked beyond forty (40) hours in a workweek.

In addition to the above classifications, employees will also fall under the following status categories based on work schedule:

B1 Full-Time:

- **California Employees:** An employee who is regularly scheduled to work 37.5 or more hours per week for a period of indefinite duration. May be exempt or non-exempt.
- **Hawaii Employees:** An employee who is regularly scheduled to work 20 or more hours per week for a period of indefinite duration. May be exempt or non-exempt. Full-time employees are generally eligible to receive benefits, although certain waiting periods may apply, or specific conditions must be fulfilled.

Hours of Work, Employment and Paydays

B2 Part-Time:

- **California Employees:** An employee who is regularly scheduled to work less than 37.5 hours per week for a period of indefinite duration. May be exempt or non-exempt.
- **Hawaii Employees:** An employee who is regularly scheduled to work less than 20 hours per week for a period of indefinite duration. May be exempt or non-exempt. Part-time employees are only entitled to benefits as required by law.

B3 Variable Hour Employee (VHE): Employees who have established an employment relationship with the FoC but who are assigned to work on an intermittent and/or variable basis which may vary from 0-40 hours week to week. Variable Hour Employees at the FoC are classified as non-exempt.

B4 Short-Term: Employees hired to work on a specific, short-term assignment with the understanding that such work will be completed within a specific period of time, typically ranging three (3) to twelve (12) months. May be exempt or non-exempt. Short-Term employment assignments are of a limited duration. Short-Term employment beyond any initially stated period does not in any way imply a change in employment status. Short-Term employees retain that status unless and until notified in writing of a change. While all Short-Term employees receive all legally mandated benefits (such as Social Security and workers' compensation insurance) and all leave benefits (including Wellness Days, Holiday, Sick & Vacation) they may or may not be eligible for all other FoC benefits (subject to terms of hire).

B5 On-Call Employees: On-call/Casual employees are ESH employees that are hired for a temporary period, whether full-time or part-time, regardless of the number of hours worked per work week. Their position is temporary and limited in nature. Employees who are not regularly scheduled, and work only as needed, and as called in, are included in this category. Temporary employees are only entitled to benefits as required by law.

7.3 California Employees: Employee Meal Periods

Meal periods are provided to non-exempt employees as follows:

- Non-exempt employees who work more than a 5-hour shift in one workday are provided an unpaid meal period lasting a minimum of 30 minutes as determined by the employee's supervisor in accordance with program and client needs. Employees will be relieved of all duties during the meal period and will not be interrupted during the meal period.
- Taking a timely half-hour duty-free meal period is mandatory, except that employees who work six (6) hours or less may voluntarily forgo the meal period by mutual consent of the employee and supervisor. See additional information in section F2 on waiving meal breaks.
- When the nature of the work prevents a non-exempt employee from being relieved of all duty, an on-duty meal period may be provided, as long as the exception is agreed to in advance by the non-exempt employee and his or her supervisor. The employee will receive one hour of pay for the missed meal period.
- A non-exempt employee who believes that work responsibilities are preventing the employee from taking a meal period, or who does not receive an additional meal period when the period is interrupted due to business needs, must notify the supervisor so that arrangements can be made. Non-exempt employees who wish for personal reasons to forego the meal period may not do so unless they first obtain the supervisor's permission.
- Non-exempt employees must record the time they leave for and return from the meal period on their time sheets. Employees who fail to comply with this policy will be subject to disciplinary action. Employees may not forego breaks or lunch periods in order to leave work earlier.
- All non-exempt employees are required to take meal breaks and in the following increments:

F1 Shift of Less Than 5 Hours: Employees need not take a meal period.

Hours of Work, Employment and Paydays

- F2** **5-6 Hour Shift:** Employees may voluntarily forego their meal period if the total hours worked that day does not exceed six (6) hours, by mutual consent of both the employer and employee. A voluntary meal break waiver must be submitted to P&P before the employee can waive a meal break. Please contact your supervisor or People & Performance for a copy of the Voluntary Meal Break Waiver Form.
- F3** **6-10 Hour Shift:** One 30-minute meal break which must be taken before working more than five (5) hours from the exact time you began your shift.
- F4** **10-12 Hour Shift:** Two 30-minute meal breaks. The first meal period must be taken before working more than five (5) hours from the start of your shift, and the second before working more than 10 hours. If an employee works a total of no more than 12 hours in one day, then the second meal period may be waived by mutual consent of both the employer and employee if the employee took the first meal break. Employees may voluntarily forego their meal period by mutual consent of both the employer and employee. A voluntary meal break waiver must be submitted to P&P before the employee can waive a meal break. Please contact your supervisor or People & Performance for a copy of the Voluntary Meal Break Waiver Form.
- F5** It is the employee's responsibility to take their 30-minute meal break as scheduled, before working more than five (5) hours. If there is any issue regarding taking the meal break, employees must contact their supervisor immediately.

7.4 California Employees: Employee Rest Breaks

All employees are provided with appropriate rest periods on each day they work more than three-and-a-half (3.5) hours total: one 10-minute paid rest period for every 4-hour work period (or work period of more than 2 hours), taken in approximately the middle of that period. Full-time employees are entitled to two 10-minute break periods, in approximately the middle of the 1st and 2nd shifts, respectively. Breaks should be arranged with your supervisor to accommodate the workflow.

For Example: If an employee begins work at 9:00am and ends by 1:00pm, they are entitled to a 10-minute rest break, taken in approximately the middle of the morning.

Any questions or concerns about Meal and Rest Breaks should be directed to People & Performance.

Employees who choose to smoke during their breaks are not entitled to additional break time. Employees who find that the work is preventing them from taking a rest break they desire to take must notify their supervisor so that arrangements can be made. Unless the employee provides this notification, the FoC will assume the employee is taking or voluntarily foregoing the rest breaks to which the employee is entitled.

7.5 California Employees: Reporting Pay

Reporting Pay takes effect when an employee has reported to work, and half (or more than half) of their workday is canceled. When this occurs, the FoC will pay that employee for half of the time they were scheduled, but no less than two (2) hours' pay.

7.6 Multiple Work Sites/Mileage and Drive Time Reimbursements

Employees may have more than one assigned work site at which a workday starts and/or stops, as determined by their supervisor. Employees' normal commute to and from work is not reimbursable. Incremental sessions or mandatory attendance in activities that require travel beyond your normal commuting hours will be reimbursed per the criteria below:

- Any time spent traveling in excess of your normal commute will need to be recorded as hours worked in your timesheet.
- Any miles traveled in excess of normal commute will need to be recorded on the employee's timecard to be reimbursed for mileage.

7.7 Working Remotely

In 2020, remote work arrangements (i.e., RWA) have become the norm for most FoC employees. Working remotely will continue as a viable option, either on a full-time or part-time basis, for the foreseeable future in cases where job responsibilities and employee performance are best suited for such an arrangement. While most remote work arrangements allow an employee to work at home (RWA), the arrangement also extends to work conducted during business related travel or any other location other than their designated company office for all or part of their regular workweek. Working remotely in no way changes the terms and conditions of employment with the employee's FoC company.

Determination as to whether a job can be performed 100% remote, 100% on site at an FoC location, or some hybrid of the two options, will be made on a case-by-case basis. Employee and manager feedback will be considered as well as nature of the job and employee's performance.

Any RWA arrangement used as a medical accommodation must be reviewed and approved by People and Performance.

Security: As with employees working in the office, those who RWA will be expected to ensure the protection of proprietary FoC and client information through use of locking doors, desks, file cabinets, and media storage, regular password maintenance, and any other steps appropriate for the job and the environment. Unless you live alone, computers should be locked when you walk away, and other household members should be not allowed access to or use of FoC property.

Expectations: When working remotely, employees must:

- Work their full, typical schedule.
- Attend all meetings in a virtual capacity.
- Achieve the same level of productivity as in the office.
- Maintain equivalent availability for colleague and client communication, supervisor questions, etc.
- Be available online and by phone for the duration of their usual workday, minus breaks and rest periods.
- Respond promptly to communication via messaging app, email and phone.
- Take all required break and rest periods, as if they were in the office.
- Communicate consistently regarding their workload and status (break, lunch, working on a project, etc.).
- Follow all company procedures and policies.
- Refrain from using alcohol or illegal drugs.

Please refer to the [Telecommuting Policy and Procedures](#) on Confluence for more details on RWA performance expectations, safety protocols, remote office options and best practices for productive remote work.

7.8 Trainings and Meetings

Time spent by non-exempt employees in mandatory meetings, orientations, in-services and training is considered hours worked and will be compensated. Time spent traveling to mandatory meetings that is in excess of your normal commute time will be compensated.

California Employees: If such activity takes place on an employee's day off, a minimum of two (2) hours of time will be paid for attendance.

Hours of Work, Employment and Paydays

7.9 Hours Worked During Pay Period, Overtime Hours

Unless otherwise provided, for purposes of calculating overtime pay, each workweek begins on Sunday and runs through midnight of the following Saturday. Each workday begins at midnight.

Only hours actually worked are used to calculate overtime pay. Compensated time off such as holidays, vacation, sick leave or other leaves of absence, for instance, are not hours worked, nor are meal breaks considered hours worked, and are not counted in making overtime calculations. In accordance with California law, daily overtime hours do not count toward the 40-hour weekly overtime threshold.

Prior Approval for Overtime: Non-exempt employees may not work overtime without the express prior written approval of their supervisor, except in emergency situations involving health and safety issues. In such cases, employees must immediately notify their supervisor of overtime worked.

- If you work unauthorized overtime, you will be paid for the time worked but you may be subject to disciplinary action up to and including termination.
- "Comp time" is never permitted as a substitute for overtime pay.

7.10 Exempt Employees

Exempt employees receive a salary for performance of their duties, as opposed to an hourly wage, and are ineligible for overtime pay. Exempt employees' salaries already take into account that they sometimes work long hours.

In compliance with state and federal law, exempt employees are paid on a salary basis, meaning that they receive a predetermined salary each week that, in general, is not subject to reduction based on quantity or quality of work except as legally allowed. Exempt employee pay is subject to reduction only in the following circumstances:

- **Absences for Illness:** Exempt employees who are absent for a full day or more because of sickness or disability, except when on Pregnancy Disability Leave, are required to use accrued sick hours, or vacation/wellness hours if sick hours are exhausted, for the period of absence. The employee will not be paid for that day unless they have accrued benefits under the FoC's paid time off, vacation, sickness, wellness days or disability policy. Their pay will not be reduced if they are absent for less than a full day because of sickness or disability, but a partial day deduction of 4 sick or vacation hours should be used when half or less of the day is worked.
- **Absences for Personal Reasons:** Exempt employees who are absent from work for a full or partial day for personal reasons other than sickness or disability are required to use accrued vacation time or available wellness days for the period of absence. Four (4) hours of vacation time should be deducted when half or less of the day is worked. An exempt employee who does not have sufficient vacation to cover an absence will have a deduction made from salary only when the absence is for a full day.
- **Unpaid Administrative Leave:** If an exempt employee violates a safety rule of major significance, they may be placed on unpaid administrative leave for that violation.
- **Family/Medical Leave:** The FoC will reduce the salary of an exempt employee who takes unpaid family care or medical leave intermittently or on a reduced schedule, on a pro-rata basis.
- **First or Last Weeks of Employment:** Exempt employees who work less than five (5) days during their first or last week of employment will be paid a proportionate share of their full salary for the days actually worked.

Exempt employees who believe that an improper deduction has been made from their salary should submit a written complaint to People & Performance explaining the nature of the deduction made and why you believe the deduction to be improper. The FoC will evaluate your complaint and promptly reimburse you if the deduction was improper or will contact you and explain why the deduction was proper.

7.11 Accommodation for Nursing Mothers

Nursing mothers who wish to express breast milk while at work may request accommodations via the Request for Reasonable Accommodation form via their supervisor and People & Performance. The FoC will provide employees who need a lactation accommodation with a private area and additional break time, if necessary. Eligible employees will be provided a private area (other than a restroom) that is located close to the employee's work area for expressing breast milk. The private areas will be shielded from view, free from intrusion while the employee is expressing breast milk. The private area will be safe, clean and free from hazardous materials, contain a surface to place a breast pump or personal items, contain a place to sit and have access to electricity. The FoC will also provide access to a sink with running water and a refrigerator suitable for storing milk in close proximity to the employee's work area. Employees can use their regular rest breaks for this purpose. Employees who need a different time or additional time should make arrangements with their supervisor and People & Performance. Regular rest break time used for expressing breast milk will be paid, but where additional time off is provided as an accommodation, that time must be unpaid.

7.12 Place and Time for Payment of Wages

Regular Pay Days

California Employees: The pay cycle is semi-monthly per year. Pay periods run from the 1st through the 15th day of the month, and the 16th through the end of the month. Checks are distributed on the 7th and 22nd of each month. Should the 7th or 22nd fall on a weekend or holiday, checks will be distributed on the workday directly preceding or following that date.

Hawaii Employees: Pay periods are bi-weekly. Employees will be paid for all hours and/or days worked within 7 days after the end of the payroll period in which they worked. Checks are distributed on every other Friday.

Payroll Deductions

The FoC is obligated, by law, to withhold Federal, State and Local Income Tax and Social Security deductions and any Federal/State/Local authorized wage garnishments. Where permitted by law, other payroll deductions may be taken. If you have any questions about your payroll deductions, please contact People & Performance.

Direct Deposit

We encourage all employees to enroll in direct deposit.

Employees may authorize deposit of paychecks directly into approved financial institution accounts at no cost to the employee. For direct deposits, employees must enter their information into UltiPro and provide a voided check to People & Performance.

Participating employees will receive a paystub in lieu of a paycheck on the established pay days. The paystub will list the Company's name, the address and telephone number of the employer, the employee's name, the date of payment, the pay period covered, rate(s) of pay, the total hours worked, regular and overtime hours, straight-time and overtime compensation, other compensation, withholdings, amount and purpose of each deduction, gross pay and net pay.

Employees may cancel their direct deposit arrangement at any time with reasonable notice to the FoC.

7.13 Unpaid Time Off

Unpaid Time Off is an authorized absence from work without pay which may be granted for medical or personal reasons after an employee has exhausted his or her applicable Vacation Leave, Sick Leave, and available Wellness Days (CA) or Float Holidays (ESH).

Employees must submit a written request for Unpaid Time Off to their supervisor and/or People & Performance with as much notice as possible. The written requirement may be waived in emergency situations. Utilization of unpaid time off is subject to supervisor and P&P approval and requires notification in writing to the payroll office.

7.14 Compensation and Performance

The FoC believes that it is in the best interest of both the organization and its employees to fairly compensate its workforce. To do so, the FoC utilizes an independent outside entity that uses local, national and industry specific survey data to compare to internal company compensation by position. Using an independent system allows for objective and nondiscriminatory data to be considered for compensation setting.

People & Performance is responsible for ensuring that compensation is reviewed at least annually for performance-based pay adjustments and at least once every two (2) years during the budget planning process for external market survey data leveling. Internal processes ensure pay equity adjustments are administered in a fair and equitable manner as applicable.

Performance measurement tools are used to provide for compensation adjustments outlined by People & Performance which provide measures for performance-based pay adjustments.

The Corporate Compliance Officer is charged with the responsibility of ensuring that the total compensation program is managed for consistency and equity.

It is a policy of the FoC that as part of the annual budgeting process the board of directors will review and approve, as appropriate, funds to be allocated for total compensation, which would include base salaries, bonus, variable based or incentive-based pay and all other related expenses. The board sets the position level, pay range and specific components of the total compensation package for the President/CEO.

Attendance Standards

8 Attendance Standards

8.1 Attendance and Punctuality

- Vacation and holidays should be scheduled and approved with one's supervisor in advance.
- Sick leave may be used in the case of emergency or sudden illness without prior scheduling.
- Excessive absenteeism or inappropriate patterns of absenteeism or tardiness may result in discipline even if the employee has not yet exhausted available paid time off.
- Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA) or for other legally protected purposes will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA or state law may be required in these instances.

8.2 No-Call/No-Show

Failure to report to work at the scheduled time and not calling to report the absence is considered a no-call/no-show. The first instance of a no call/no show may result in a written warning. The second separate offense may result in termination of employment with no additional disciplinary steps.

8.3 Job Abandonment

Job abandonment occurs when an employee stops coming to work and has not notified the employer of his or her intention to quit. Three (3) consecutive days of not calling in/not showing up to work may be considered job abandonment and may be deemed an employee's voluntary resignation of employment.

8.4 Tardiness

Employees are expected to notify their supervisor in as far in advance as possible of an anticipated tardiness or absence. Employees who arrive to their session/meeting any time after the scheduled session/meeting start time are considered tardy. Excessive tardiness could result in disciplinary action including and up to separation.

8.5 Recording Time

Federal and state laws require us to keep accurate records of hours worked by non-exempt (hourly) employees. It is the responsibility of the employee to accurately complete their timecard each scheduled workday and they must put exact in and out times. Every non-exempt employee is required to enter their hours worked accurately, including documenting their lunch periods with in and out times each day. Employees are required to notify the company of any pay discrepancies, unrecorded or misreported work hours, or any involuntary missed meal or break periods within one pay period of occurring.

Do **not** complete the time sheet of any other employee or request that they do so for you. Please be sure to indicate your days off. Any changes to your timecard must be approved by your supervisor.

Falsification of time records or recording time for another employee may result in discipline, up to and including termination of employment.

9 Benefits

The following benefit entitlements do **not** apply to ESH employees. ESH employees can find an explanation of benefit entitlements in the "[ESH Addendum](#)."

9.1 Tuition Reimbursement

The FoC offers tuition reimbursement to benefited employees to support their continuing education. Please see program details under [Tuition Reimbursement](#) on Confluence.

9.2 Health Insurance

The FoC provides its full-time and part-time employees regularly scheduled to work 27 hours or more per week health insurance beginning on the first of the month following 30 days of regular employment. Employees have the option of dependent coverage at their own expense. Medical plan benefits for eligible employees [and their dependents] are described in detail in the Summary Plan Description (SPD) prepared by the insurance carrier that is available to all eligible employees. These benefits may be canceled or changed at the FoC's discretion unless otherwise required by law.

Health benefits during Family and Medical Leave Act (FMLA) leaves (or in California for California Family Rights Act leave or Pregnancy Disability Leave) are maintained by the FoC on the same terms as if the employee continued to work. Please contact People & Performance for clarification. In such circumstances, arrangements must be made by eligible employees to pay their share of the health insurance premium on a monthly basis to maintain insurance coverage. Please contact People & Performance to determine the amount of your contribution. The FoC's obligation to maintain health benefits stops when:

- An employee informs the FoC of an intent not to return to work at the end of the leave period.
- An employee fails to return to work when the FMLA entitlement is exhausted.
- An employee's premium contribution is past due.

The FoC will be entitled to recover premiums paid to maintain health insurance coverage for an employee who fails to return to work from leave.

Plan eligibility does not necessarily mean coverage for all medical treatments or procedures. In addition, under changed circumstances you may be responsible for contributing to the cost of increased premiums. This benefit, as well as other benefits, may be canceled or changed at the discretion of the FoC unless otherwise required by law.

If you or a dependent become ineligible for benefits due to a change in work hours or through a life event, or if you leave employment with the FoC, you may have the right to continue your medical benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA). You will receive information about your COBRA rights from our designated COBRA Administrator.

9.3 Disability Insurance

The FoC provides employees with disability income protection when employees miss work due to non-work-related disabilities. The terms and conditions for the disability insurance program are outlined in the [Summary of Plan Benefits](#). Please contact People & Performance for a copy of the plan provisions and for any information you need about the benefit.

9.4 Life Insurance

On the first of the month following 30 days of regular employment, all full-time and part-time employees regularly scheduled to work 27 hours or more per week are provided with life insurance by the FoC. You will be required to notify the benefits administrator of your intended beneficiary. Refer to the [Summary Plan Description](#) (SPD) for details about the benefit.

9.5 Dental Insurance

On the first of the month following 30 days of regular employment, all full-time and part-time employees regularly scheduled to work 27 hours or more per week are eligible for the FoC's dental plan. Dental plan benefits are described in detail in the [Summary Plan Description](#) (SPD).

9.6 Vision Care Insurance

On the first of the month following 30 days of regular employment, all full-time and part-time employees regularly scheduled to work 27 hours or more per week are eligible for the FoC's vision care plan. Vision care plan benefits are described in detail in the [Summary Plan Description](#) (SPD).

9.7 Unemployment Compensation Insurance

Unemployment compensation insurance is paid for by the FoC and provides temporary income for employees who have lost their job under certain circumstances. Your eligibility for unemployment compensation will, in part, be determined by the reasons for your separation from the FoC, but is decided upon by the California Employment Development Department (EDD), www.edd.ca.gov. The EDD makes the determination to award benefits or not.

9.8 Workers' Compensation Insurance

Workers' compensation is a no-fault system designed to provide benefits to all employees for work related injuries. Workers' compensation insurance coverage is paid for by the employer and governed by state law. The workers' compensation system provides for coverage of medical treatment and expenses, occupational disability leave, rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job, no matter how slightly, you are to report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your supervisor immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an incident report. You will be required to submit a medical release before you can return to work.

9.9 COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides the opportunity for eligible employees and their beneficiaries to continue health insurance coverage under the FoC health plan when a "qualifying event" could result in the loss of eligibility. Qualifying events include resignation, termination of employment, death of an employee, reduction in hours, a leave of absence, divorce or legal separation, entitlement to Medicare, or where a dependent child no longer meets eligibility requirements.

Please contact People & Performance to learn more about your COBRA rights.

9.10 403(b) Retirement Plan

All employees are eligible to participate in the 403(b) plan through **The Principal**, effective the first day of the month following date of hire, subject to the terms of the Plan. The maximum yearly contribution employees can make in 2020 to a 403(b) is \$19,500 with an additional \$6,500 catch-up for individuals age 50 and over. 403(b) plan details, including employer matching, are described in the [Benefits Section](#) on Confluence.

Paid Leave Benefits

10 Paid Leave Benefits

The following benefit entitlements do not apply to ESH employees. ESH employees can find an explanation of benefit entitlements in the "[ESH Addendum](#)."

10.1 Vacation

The FoC provides vacation benefits to eligible employees for the purpose of rest and recreation. The FoC considers vacation time valuable for employees in order to enhance productivity and to render the FoC work experience personally satisfying. Vacation should be scheduled and approved with one's supervisor in advance.

Vacation accrues on the basis of compensated hours per the accrual rates below.

0 to <24 Months <i>(up to two years)</i>	24 to <72 Months <i>(two up to six years)</i>	72+ Months <i>(six years and thereafter)</i>
.0577/compensated hour, an estimated 15 days per year for full-time employees, prorated for VHE and part-time employees	.0769/compensated hour, an estimated 20 days per year for full-time employees, prorated for VHE and part-time employees	.0962/compensated hour, an estimated 25 days per year for full-time employees, prorated for VHE and part-time employees

Maximum Accrual

Employees are encouraged to take their vacation during the service year in which it is earned. If this is not possible, employees may accumulate unused vacation of up to 1.5 times their current annual vacation entitlement. Once an employee's unused vacation balance reaches this maximum, the employee will stop earning vacation. When the employee has taken some vacation time and the employee's unused vacation balance drops below the maximum, the employee will begin earning vacation again in accordance with the accrual schedule. An employee who is on an unpaid leave of absence does not earn vacation.

Pay in Lieu of Vacation

No employee will receive pay in lieu of vacation except on the termination of his or her employment.

Vacation Pay on Termination

Upon termination of employment, the employee is paid all accrued but unused vacation at the employee's base rate of pay at the time of termination or change of status, prorated on a daily basis, and subject to the above rules regarding maximum accrual.

Vacation Pay on Change of Status

In case of a Transfer/Promotion/Classification change, the employee's accrued balances are transferred. No employee will receive pay in lieu of vacation except on the termination of his or her employment.

Vacation Use

All vacation days should be taken not later than the calendar year immediately following the year in which they accrue, unless prior approval is obtained from the employee's manager. Vacation may not be used to extend a resignation date.

Vacation Advances

An employee is not permitted to borrow on future accrual of vacation benefits.

Holidays Occurring During Vacation

If an FoC-observed holiday occurs during an employee's scheduled vacation, no deduction from accrued vacation will be made for the holiday.

Paid Leave Benefits

Prior Service Credit

Employees who leave the FoC and return to service within one year of their separation date, will receive prior service credit for vacation accrual rates.

10.2 Sick Leave

In order to help prevent loss of earnings that may be caused by accident or illness, the FoC has established paid sick leave benefits.

All employees accrue sick leave benefits on the basis of compensated hours at the accrual rate of .0462 per hour, an estimated equivalent of 12 days (96 hours) per year for full-time employees. All employees will be provided with no less than 24 hours of paid sick leave by the 120th calendar day of employment.

Eligible employees may carry over accrued but unused sick leave from one calendar year to the next. However, sick leave may only be accumulated up to a total of 520 hours.

Accrued but unused sick leave is not paid out upon separation from the FoC.

An employee may use paid sick leave not only when he or she is ill, injured, or for the purpose of receiving medical care, treatment, diagnosis and/or preventative care, but also to aid or care for a family member (discussed below) when they are ill, injured, or for the family member's treatment, diagnosis and/or preventative care. In addition, sick leave can be used for medical and dental appointments for the employee and his/her family members, although employees are expected to schedule such appointments outside of work hours whenever possible.

For purposes of this policy, "family member" includes the employee's child, parent, spouse, domestic partner, grandparent, grandchild or sibling.

Sick leave will be paid at the employee's base rate of pay.

Verification

The FoC retains the right to request verification from a licensed health care provider for all absences due to illness or disability. Employees who are absent and are using sick leave for three (3) or more scheduled consecutive days will be required to provide a doctor's statement certifying the reason for the absence. The FoC reserves the right to require employees to provide medical certification of their fitness to return to work.

Compensation for Sick Leave

Eligible employees will receive pay at their normal base rate for sick leave taken consistent with this policy. No employee shall receive pay in lieu of sick leave under any circumstances, and employees will not be paid for any accrued but unused sick leave upon termination of employment or change of status to an unbenefited classification of employment.

Approval

Employees must provide reasonable advance notice of the need for sick leave and seek approval from their immediate supervisor prior to using sick leave. When the need for the leave is unforeseeable, employees must notify their immediate supervisor as soon as possible/practical. Conditions and restrictions on an employee's use of sick leave, as stated in this policy, also apply to sick leave used for the care of a child, parent, sibling, grandparent, grandchild, spouse and domestic partner.

Coordination of Sick Leave Benefits with Workers Compensation or State Disability Benefits

Employees may use accrued sick leave benefits during the normal 3-day waiting period before the employee is paid workers' compensation benefits and during the normal 7-day waiting period before the employee is paid state disability benefits. Accrued sick leave will be integrated with any wage-replacement income when receiving California Short-Term Disability (SDI) payments during periods of disability. For more information, contact People & Performance.

10.3 Holidays

The FoC offers holiday pay to all employees. Employees regularly scheduled for 27 or more hours per week are eligible for eight (8) hours of holiday pay. Holiday pay for employees regularly scheduled for 26 or fewer hours per week, and VHE employees is six (6) hours per day.

The FoC observes the following standard holidays each year:

- New Year's Day
- Martin Luther King Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Day

When holidays fall on weekends, they will be observed as follows:

- Holidays that fall on a Saturday will normally be observed on the preceding Friday.
- Holidays that fall on a Sunday will normally be observed on the following Monday.

Unused holidays do not accrue and are not paid out at termination.

Pay in Lieu of Time Off

At its sole discretion, the FoC may require some or all employees to work on FoC-observed holidays.

Non-Exempt Employees

Eligible non-exempt employees required to work on FoC-observed holidays will be paid at their normal base rate for all hours worked. In addition, the employee will receive holiday pay at their regular rate of pay, to a maximum of eight (8) hours.

10.4 Wellness Days

Wellness Days are designed to provide additional flexibility to employees to take time off to focus on their personal wellbeing. Wellness Days may be used on one's birthday, a religious holiday, or any other day of personal importance. They must be used in the year they are earned and should be scheduled and approved with one's supervisor in advance.

Employees will be allotted a bank of two (2) Wellness Days at the onset of the calendar year and may use both days immediately. Wellness Days accumulation will be capped at two (2) days per calendar year, except for new employees hired on or after March 1, who will be allowed to roll over their hire year Wellness Days into the following year.

Wellness Days are issued to newly hired employees as follows:

- Employees hired between January 1-June 30 will receive two (2) wellness days.
- Employees hired between July 1-September 30 will receive one wellness day.
- Employees hired on or after October 1 will not receive wellness days until the following calendar year.

Pay in Lieu of Wellness Days

No employee will receive pay in lieu of Wellness Days except on the termination of his or her employment. On termination of employment, the employee is paid all accrued but unused Wellness Days at the employee's base rate of pay.

Paid Leave Benefits

10.5 Bereavement Leave

In the event of a death in the immediate family, employees will be granted a paid leave of up to three (3) working days at eight (8) hours per day for full-time employees or up to three (3) working days at six (6) hours per day for VHE and employees regularly scheduled for 26 or fewer hours per week. Employees are eligible for bereavement leave from date of hire. Compensation is paid at base rate for actual time lost.

Members of the immediate family include the employee's spouse or domestic partner, children (including stepchildren and children of a domestic partner), parents (including stepparents, foster parents, parents-in-law and parents of a domestic partner), grandparents and siblings (including siblings-in-law, and siblings of a domestic partner). If circumstances require that additional time be taken, accrued vacation time, if available, or unpaid leave may be granted for this purpose at the discretion of the employee's manager.

Individual employee circumstances may be discussed with the employee's manager and People and Performance to determine whether additional considerations are needed.

10.6 Legal or Military Leave

Employees will be granted a leave of absence as required by law for the purpose of fulfilling any required legal or military obligation (e.g., jury duty, appearance in court in compliance with a subpoena or court order as a witness in a legal proceeding, military reserve duty, or performance of emergency duty by a volunteer firefighter). Employees are required to provide reasonable advance notice of any need for such leave and provide official supporting documentation to People and Performance. Employees are expected to return to work each day or portion of the day that they are not selected for jury duty or called as a witness.

Employees will be granted a paid leave of up to a maximum of 10 days at eight (8) hours per day and up to three (3) working days at six (6) hours per day for VHE or employees regularly scheduled for 26 or fewer hours per week. Employees are eligible for paid leave for legal obligations from date of hire or status change.

Voting

Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two (2) days in advance of the election. Up to two (2) hours of paid time off will be provided, at the beginning or end of the employee's regular shift, which will allow the most free time for voting and the least time off work.

10.7 School and Child Care Activities Leave

Any employee who is a parent, guardian or grandparent having custody of any child in kindergarten or grades 1-12, or of the age to attend a licensed childcare provider, is permitted to take forty (40) hours of unpaid leave time per calendar year for the following purposes:

- To find, enroll or reenroll his or her child in a school or licensed childcare provider.
- To participate in activities of the school or licensed childcare provider of any child.
- To address a childcare provider or school emergency.

The employee must give the FoC reasonable written notice prior to taking the time off. Employees taking time off for the foregoing purposes must use any accrued vacation time for purpose of the planned absence, and after exhaustion of vacation, time off will be unpaid. The employee must also provide written documentation from the child's school or licensed childcare provider to substantiate the employee's participation in child-related activities covered by this policy.

10.8 Paid Family Leave Benefits (“PFL”)

Employees who suffer a wage loss in order to care for an ill family member by designation of a physician, or for the birth or adoption of a new child may qualify for “Paid Family Leave” benefits from the State of California. The state’s PFL program provides partial wage replacement benefits during an absence for these purposes. The PFL program does not provide additional leave, job protection or reinstatement rights beyond those provided by our policies or by applicable state or federal law. You apply directly to the state for PFL benefits using the online application. You must apply separately for a leave of absence under our Family/Medical Leave or Personal Leave policies.

All California employees contribute to a pool of funds which has been set aside to pay for PFL Benefits. The funds are collected every payroll period by an increase in the State Disability Insurance (SDI) rate. PFL is funded entirely by employee contributions. The program is administered by the State, not by the FoC.

10.9 SF Paid Parental Leave Ordinance (“SF PPLO”)

The FoC provides supplemental compensation benefits to employees who are receiving PFL to bond with a newborn, newly adopted or foster child in accordance with the San Francisco Paid Parental Leave Ordinance. Only employees who meet all the following requirements are covered under the SF PPLO and are entitled to supplemental compensation from the FoC:

- Began work for the FoC at least 180 days before the start of the PFL payment period.
- Work at least eight (8) hours per week for the FoC in San Francisco.
- Work in San Francisco for at least 40% of your weekly hours for the FoC.
- Apply for and receive California PFL benefits from the State.

The supplemental compensation will equal the difference between the employee’s PFL benefit amount and the employee’s normal gross weekly wages, such that the employee receives up to 100% of their weekly wages, subject to a weekly maximum benefit amount, for up to six (6) weeks. Employees should contact People & Performance for further information regarding eligibility and benefits.

11 Leaves of Absence

The following benefit entitlements do not apply to ESH employees. ESH employees can find an explanation of benefit entitlements in the [“ESH Addendum.”](#)

The FoC provides several kinds of leaves of absence to meet the individual needs of employees and their families, and as required by various state and federal laws. Eligibility, benefits, length of leave and job protection vary, depending on the reason for leave and the length of time the employee has worked for the FoC.

The FoC provides the following leaves of absence:

- Family care, medical, service member exigency and service member caregiver leave in accordance with California's Moore-Brown-Roberti Family Rights Act (CFRA) and the federal Family and Medical Leave Act of 1993 (FMLA) (Section 11.1).
- Pregnancy Disability Leave (PDL) in accordance with the California Fair Employment and Housing Act (“FEHA”) (Section 11.3).
- Disability leave as required to reasonably accommodate employees with a workplace injury or a qualified disability under the Americans with Disabilities Act (ADA) and/or FEHA (Section 11.4).
- Leave for other legally required absences (Section 11.5).

All leaves are unpaid, although provisions are made for the use of accrued vacation and sick leave benefits as described below.

Employees having any questions regarding this policy should contact People & Performance.

Eligibility

To be eligible for family care, medical, service member exigency and/or service member caregiver leave, an employee must have:

- Worked for the FoC for at least twelve months prior to the date on which the leave is to commence.
- Worked at least 1,250 hours in the twelve months preceding the leave.
- Works in a location within 75 miles of at least 50 FoC employees. Employees who meet all of these requirements are referred to as “FMLA-eligible” in this policy.

Employees who do not meet these specific requirements may still be eligible for another type of leave depending on the reason and length of leave.

Permissible Uses of Family Care, Medical, Exigency and Caregiver Leave

Family Care Leave may be requested by a FMLA-eligible employee for:

- The birth or adoption of an employee's child.
- The placement of a foster child with the employee.
- The serious health condition of an employee's child, spouse, domestic partner or parent.

The maximum amount of leave under this policy is 12 weeks in a 12-month period, offset by any family care, medical, military exigency, or military caregiver leave the employee has taken during that period. The 12-month period is a rolling period, measured backward from the date any employee takes leave.

Leave to care for a newborn, newly adopted or newly placed foster child must be taken within 12 months of the birth or placement. When leave is taken for this reason, it must generally be taken in periods of at least two (2) weeks. Where both spouses work for the FoC, they have one shared 12-week leave entitlement to care for a new child.

Leave taken for pregnancy disability does not count toward the 12-week family care leave entitlement.

Leaves of Absence

Family Care Leave to care for a newborn begins for a new mother when she is no longer disabled and her pregnancy disability leave ends.

Leave to care for an ill family member may be taken intermittently depending on the opinion of the family member's health care provider.

11.1 Family Medical Leave Act (FMLA)

Medical leave may be requested by an FMLA-eligible employee who is unable to work due to his or her own serious health condition, as certified by the employee's health care provider. A "serious health condition" is generally available only for medical conditions that result in a period of prolonged incapacity (more than three days) but is also available for chronic health conditions for which the employee is being medically supervised. All employees are eligible for this type of leave per the guidelines above, though reinstatement rights vary depending on whether an employee is FMLA Eligible and on the reason for leave. The maximum amount of leave under this policy is 12 weeks in a 12-month period, offset by any family, military exigency, or military caregiver leave the employee has taken during that period. The 12-month period is a rolling period, measured backward from the date any employee takes leave. The leave may be taken intermittently or on a reduced work schedule, based on the health care provider's recommendation. Where required by law, additional leave beyond the 12-week period may be available. Contact People & Performance for further information.

Service Member Exigency Leave Exigency Leave may be requested by a FMLA-eligible employee to deal with a qualifying exigency related to or affected by the active military duty or call to active service in the Armed Forces, National Guard or military reserves of the employee's spouse, domestic partner, child or parent. Qualifying exigencies are defined by the Department of Labor as: short-notice deployment of the family member; military events and related activities; childcare and school activities; financial and legal arrangements; counseling; rest and recuperation; post-deployment activities; and additional activities to address other events which arise out of the covered military member's active duty or call to active duty status, provided that the FoC and the employee agree that such leave shall qualify as an exigency, and agree to both the timing and duration of such leave. The maximum period of leave is up to 12 weeks in a 12-month period, offset by any family care, military caregiver, or medical leave taken in that period.

In addition, all eligible employees (including employees who are not necessarily FMLA-eligible) are also entitled to "Leave for Military Spouses," which is described in the policy below.

Service Member Caregiver Leave Caregiver Leave may be requested by FMLA-eligible employees to provide care for a spouse, domestic partner, child, parent or next of kin who is a member or former member of the Armed Forces, including a member of the National Guard or Reserves, and who is undergoing medical treatment, recuperation, or therapy, as well as a veteran who is undergoing medical treatment and who was a member of the Armed Forces at any time during the five (5) years preceding the date on which the medical treatment begins, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness. A "serious injury or illness" is one incurred by a member of the Armed Forces in the line of duty on active duty and incurred within five (5) years prior to the treatment, recuperation or therapy. Leave is generally a one-time entitlement, and has a special 12-month leave period, which begins on the first day the employee takes Service member Caregiver Leave. Additional Service member Caregiver Leave may be available, if the military family member sustains a later injury or illness or for the injury or illness of a different military family member. When both spouses work for the FoC, they are limited to a combined total of 26 weeks for Service member Caregiver Leave. Caregiver leave can be taken intermittently or on a reduced schedule when medically necessary.

Family Members Defined

"Child" - A child is defined as a biological, adopted or foster son or daughter; a stepson or stepdaughter; a legal ward; or a child of an employee who stands in loco parentis to that child.

"Parent" - A parent is defined as a biological, foster, or adoptive parent; a stepparent; a legal guardian; or other person who stood in loco parentis to the employee when the employee was a child.

Leaves of Absence

“Spouse” – A spouse is defined as a partner in marriage.

“Domestic Partner” – A domestic partner is defined by California law as “two adults who have chosen to share their lives in an intimate and committed relationship of mutual caring.”

Use of Paid Time Off:

Family Care, Medical, Exigency and Caregiver Leave employees are required to use any accrued sick time during medical leave, military caregiver, or family care leave to care for an ill family member. However, the use of vacation and/or sick leave is optional, not required, during periods the employee is receiving any kind of income replacement benefits, such as workers' compensation, state disability or paid family leave benefits. Use of vacation is optional at any time during an approved FMLA leave. Using paid leave will not extend the maximum amount of leave available. When paid leave is exhausted, the remaining leave is unpaid. Sick leave and vacation benefits will continue to accrue only during the portion of leave during which an employee is paid.

Effect of Leave on Pay

Except to the extent that other paid time off such as accrued sick leave or vacation is substituted for family care, medical, service member exigency or service member caregiver leave as referenced above, family care, medical, exigency and caregiver leave is unpaid. Sick leave and vacation may be used during medical leave, service member caregiver, or family care leave to care for an ill family member unless you are receiving income replacement benefits. You may use your accrued sick leave or vacation leave to bring any state disability payments up to full pay. Please contact People & Performance for information about completing your timesheets and coordinating any SDI or Workers Compensation benefits during leave.

Effect of Leave on Benefits

During an employee's family care, pregnancy disability leave, medical, exigency or caregiver leave, the FoC will continue the employee's participation in the FoC's group health plans under the same terms and conditions as before the leave began, as follows:

- Up to a combined total of 12 weeks of family care and medical leave (FMLA-eligible employees only).
- For up to an additional 12 weeks for CFRA when CFRA follows PDL.
- For up to 26 weeks of military caregiver leave (FMLA-eligible employees only).

NOTE: The employee's share of premiums must be paid in full by the employee during the period of leave if the employee wishes such benefits to continue during leave. Payments may be made via payroll deduction if employee has sick or vacation leave available. If no paid sick or vacation leave is available, the employee must send a check to People & Performance to cover their share of premium costs during any portion of unpaid leave.

Employees who have exhausted or are ineligible for these benefit entitlements may continue coverage at their own expense under COBRA. An employee who fails to return from leave will be required to repay insurance premiums paid by the FoC during the leave. For information about your share of cost during leave and for payment instructions, please contact People & Performance.

Employees on family care, medical, exigency and caregiver leave will continue to accrue vacation leave and sick leave only when this leave is paid and if the employee would otherwise be entitled to such accrual. An employee on an unpaid leave of absence does not accrue vacation or sick leave.

Procedure for Requesting Family Care, Medical, Exigency and Caregiver Leave

Notice Requirements

Employees should notify the FoC's People & Performance Department of their request for family care, medical, service member exigency or service member caregiver leave as soon as they are

Leaves of Absence

aware of the need for such leave. A Request for Leave form must first be approved and signed by your supervisor, and then submitted to People & Performance, who will contact you to provide detailed information about eligibility for FMLA and the leave process.

Employees are encouraged to provide at least 30 calendar days' advance notice to the FoC of the need for a leave of absence. For events that are unforeseeable 30 days in advance, but are not emergencies, the employee must notify the FoC as soon as he or she learns of the need for the leave, ordinarily no later than 1 to 2 working days after the employee learns of the need for the leave. If the leave is requested in connection with a planned, non-emergency medical treatment, the employee may be requested to reschedule the treatment so as to minimize disruption of the FoC's business.

If an employee fails to provide the requisite 30-day advance notice for foreseeable events without any reasonable excuse for the delay, the FoC reserves the right to delay the taking of the leave until at least 30 days after the date the employee provides notice of the need for family care, medical, exigency or caregiver leave.

All requests for family care, medical, exigency or caregiver leave should be made in writing using the Request for Leave form and must set forth the reasons for the requested leave and include the anticipated date(s) and duration of the leave.

Medical Certification

Any request for medical leave for an employee's own serious health condition or for family care or caregiver leave to care for a child, spouse, domestic partner or parent with a serious health condition must be supported by appropriate Health Care Provider Certification form from a licensed health care provider. The Health Care Provider Certification form should be sent directly to People & Performance. For foreseeable leaves, employees must provide the required medical certification before the leave begins.

When this is not possible, employees must provide the required certification within 15 calendar days after requesting leave, unless it is not practicable under the circumstances to do so, despite the employee's good faith efforts. Failure to provide the required medical certification may result in the delay or denial of foreseeable leaves until such certification is provided. In the case of unforeseeable leaves, failure to provide the required medical certification within 15 days of being requested to do so may result in a denial of the employee's continued leave.

The Health Care Provider Certification for a child, spouse, domestic partner or parent with a serious health condition shall include:

- The date on which the serious health condition commenced.
- The probable duration of the condition.
- The health care provider's estimate of the amount of time needed for family care.
- The health care provider's assurance that the health care condition warrants the participation of the employee to provide family care.
- In the case of intermittent or reduced schedule leave where medically necessary, the probable duration of such a schedule.

The Health Care Provider Certification for leave for the employee's own serious health condition shall include:

- The date on which the serious health condition commenced.
- The probable duration of the condition.
- A statement that, due to the serious health condition, the employee is unable to perform the functions of his or her position.
- In the case of intermittent leave or reduced schedule leave where medically necessary, the probable duration of such a schedule.

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If the FoC has reason to doubt the validity of the certification provided by the employee for the employee's own serious health condition, the FoC may require the employee to obtain a second opinion from a doctor of the FoC's choosing at the FoC's expense. If the employee's health care provider and the doctor providing the second opinion do not agree, the FoC may require a third opinion, also at the FoC's expense, performed by a mutually agreeable doctor who will make a final determination.

Fitness to Return to Work

Before you to return to work after your leave for your own serious health condition, a "Fitness to Return to Work" form signed by your health care provider must be submitted to People & Performance.

Extension of Leave

Requests for an extension of the leave must be supported by an updated Health Care Provider Certification form. Any requests for extensions of leave must be received at least five (5) working days before the date on which the employee was originally scheduled to return to work and must include the revised anticipated date(s) and duration of the family care, medical, service member exigency or service member caregiver leave. Where the leave extension is for the employee's or a family member's serious health condition, the request must include medical certification of the need for continued leave. Failure to comply with these notice requirements may result in denial or deferral of the requested leave.

Effect of Leave on Reinstatement

Although the FoC is unable to guarantee reinstatement in all cases, in general employees returning from family care, medical, service member exigency or service member caregiver leave are entitled to reinstatement to the same or comparable position consistent with applicable law. FMLA-eligible employees who return to work within the 12-week period (or within the 26-week period from military caregiver leave), and any employee returning from pregnancy disability leave within the 4-month period will be reinstated to the same or equivalent position, unless the employee would have been terminated for reasons unrelated to the leave (for example, position elimination), or if the employee can no longer perform the essential functions of the job.

Employees returning from leave due to a work-related injury will be reinstated except where reinstatement is unavailable due to business necessity.

The FoC retains the right to deny reinstatement to FMLA-eligible employees who are among the highest paid ten percent (10%) of the FoC's employees and whose reinstatement would cause substantial and grievous economic injury to the FoC's operations ("key employees"). The FoC will notify such employees of their "key employee" status and the conditions under which they may be denied reinstatement, if applicable.

11.2 Pregnancy Disability Leave (PDL)

Leaves of Absence and Transfers

Any employee who is disabled on account of pregnancy, childbirth or related conditions may take an unpaid pregnancy-related disability leave ("PDL") for the period of actual disability as certified by the employee's health care provider up to a maximum of four (4) months per pregnancy, in addition to any family care or medical leave to which the employee may be entitled under the Family Care and Medical Leaves Policy if the employee is FMLA-eligible. Conditions for which leave is available include prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth and recovery from childbirth. PDL and Family Care and Medical Leave ("FMLA") run concurrently. Pregnancy-related disability leaves may be taken intermittently, or on a reduced-hours schedule, as medically necessary.

Moreover, an employee is entitled to a reasonable accommodation for pregnancy, childbirth or related medical conditions if she so requests and provides the FoC with medical certification from her health care provider. In addition to other forms of reasonable accommodation, a pregnant

Leaves of Absence

employee is entitled to transfer temporarily to a less strenuous or hazardous position or to less hazardous or strenuous duties if she so requests, the transfer request is supported by proper medical certification and the transfer can be reasonably accommodated.

The employee must provide the FoC with a certification from her health care provider stating the nature of the accommodation or transfer requested, that the accommodation or transfer is medically advisable, and the period during which the accommodation/transfer is needed.

Substitution of Paid Time Off for Pregnancy-Related Disability Leave

An employee taking pregnancy-related disability leave will be required to exhaust any accrued sick leave time, although use of sick leave is optional during periods the employee is receiving any kind of income replacement benefits, such as workers' compensation, state disability or paid family leave benefits. However, the use of vacation leave is optional, not required, at any time during a pregnancy disability leave. The substitution of paid leave for pregnancy-related disability leave does not extend the total duration of the leave to which an employee is entitled.

Effect of Leave on Benefits

The FoC will continue the employee's participation in the FoC's group health plans per the same terms and conditions as before the leave for up to four (4) months of pregnancy disability leave and up to 12 weeks of CFRA leave for baby bonding.

Employees on concurrent PDL and FMLA accrue employment benefits, such as vacation leave or sick leave only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

If the employee pays a share of cost for any the FoC provided health benefits, those payments must continue during leave. Payroll deductions during any portion of leave using accrued sick or vacation pay may be made provided those amounts are adequate to cover the share of costs during the leave. Please contact People & Performance for detailed information about paying your share of cost for premiums during leave.

Other Terms and Conditions of Leave

The provisions of the FoC's Family Care and Medical Leave policy regarding, notice requirements, and reinstatement also apply to all pregnancy-related disability leaves.

However, for pregnancy-related disabilities, there is no reinstatement exception for key employees. The medical certification for pregnancy disability leave shall state:

- That the employee needs to take pregnancy disability leave because she is disabled by pregnancy, childbirth or a related medical condition.
- The date on which the employee became disabled because of pregnancy and the estimated duration of the leave.

Termination

If the employee's prior position or an equivalent position is not available at the end of the approved leave, employment will be terminated.

In addition, an employee is considered to have resigned voluntarily if:

- The employee does not return to work on the next regularly scheduled workday after the end of the approved leave period.
- The employee does not return to his or her original position or an equivalent one as soon as he or she is able.
- The employee has accepted other employment during the leave period.

11.3 Other Disabilities Leave

In addition to medical or pregnancy-related disability leaves described above, the FoC provides medical leaves of absence to employees who are temporarily disabled and unable to work because of a workplace injury or qualified disability (other than disabilities related to pregnancy or childbirth). Medical leave under this policy is unpaid and is only for the period of actual disability or inability to perform the essential functions of the job with or without reasonable accommodation. Any disability leave under this section may run concurrently with any medical leave to which the employee is entitled.

Employees taking disability leave must comply with the Family Care and Medical Leave provisions regarding substitution of paid leaves, notice, and medical certification. For the purpose of applying these provisions, a disability will be considered to be a serious health condition. If a disability leave under this section extends beyond 12 weeks in a 12-month period, the employee will not be entitled to any continued employer contributions towards any employee benefit plan. An employee, however, may elect to continue participating in such benefit plans, at the employee's own expense, to the extent permitted by such plans.

The total period of all absences related to the same medical condition is considered part of the same leave. The duration of a leave under this section will be consistent with applicable law.

Absences and Reasonable Accommodation Related to Domestic Violence, Sexual Assault and Stalking

The FoC is mindful of the pervasive problem of domestic violence (also termed "relationship," "partner," or "intimate" violence), sexual assault and stalking and their potential effect on an employee's work performance and attendance.

An employee who is a victim of domestic violence, sexual assault or stalking is eligible for unpaid leave for the following purposes: to obtain or attempt to obtain court relief (such as a restraining order) or to otherwise help ensure the health, safety, or welfare of the employee or his or her child. The FoC further will grant reasonable time off to an employee as necessary to seek medical or legal attention, to obtain assistance from a shelter or crisis center, to obtain psychological counseling, and/or for the employee to take action to increase personal safety. The maximum length of unpaid leave an employee may take under this policy is limited to 12 weeks, offset by any Family and Medical Leave taken in the same 12-month period.

Employees requiring this time off should contact People & Performance. Employees who seek to take time off for these reasons must give the FoC reasonable notice. However, if an unscheduled or emergency court appearance is required for the health, safety or welfare of the victim or his/her child, the employee need not provide advance notice, but in this situation we require employees to provide evidence from the court or the prosecuting attorney that s/he has appeared in court. The FoC will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave under this provision.

The FoC also provides reasonable accommodations to victims of domestic violence, sexual assault or stalking, provided the accommodation does not pose an undue hardship or pose a safety risk. Accommodations may include implementation of safety measures or procedures in the workplace or adjustments to job duties or the work facility in response to domestic violence, sexual assault or stalking. Any employee wishing to request such an accommodation should speak with his or her manager or People & Performance.

Because domestic violence, sexual assault and stalking may find its way into the workplace, we encourage any employee who has safety concerns to alert the FoC. This will assist us in maintaining a safe workplace.

Please see the FoC's Recognizing and Preventing Workplace Violence Policy for more information in **Section 3, Workplace Safety**.

Leaves of Absence

Leave for Victims of Serious Crime

An employee who is the victim of a serious crime, or whose immediate family member including domestic partner, is the victim of a serious crime, may take time off to attend judicial proceedings relating to the crime or any proceeding in which the victim's rights are at issue. Advance notice is required, unless this is not feasible. Documentation concerning the judicial proceedings is required. The time off is unpaid, but employees may elect to use their accrued vacation for such absences. The FoC will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave under this provision.

Organ and Bone Marrow Donor Leave

Employees who have been employed by the FoC for at least 90 days may take paid leave for up to 30 business days and unpaid leave for up to 30 business days, for the purpose of organ donation and up to five (5) business days for bone marrow donation during a one-year period. To do so, the employee must provide written verification to the FoC that he or she is an organ or bone marrow donor and that there is a medical necessity for the organ or bone marrow donation. Employees taking this type of leave are first required to exhaust their paid vacation and sick leave benefits as follows: up to five (5) days of earned and unused sick leave and/or vacation for bone marrow donor leave, and up to two (2) weeks of earned and unused sick leave and/or vacation for organ donor leave.

Leave taken under this policy does not run concurrently with leave under the FMLA or CFRA, but rather is in addition to it. The leave will not be considered a break in continuous service for purposes of the employee's rights to salary adjustments, sick leave, vacation, annual leave or seniority. Employees returning from leave within the times lines above will be restored to the same or an equivalent position.

11.4 Military Leave

Employees who are absent from work for duty in the uniformed services will be granted an unpaid military leave and reinstatement rights in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and state law. The FoC will continue group health benefits during leaves of up to 30 days, and thereafter the employee may continue coverage at the employee's expense for up to 24 months under the provisions of USERRA. The maximum cumulative period of military leave during an employee's employment with the FoC is five (5) years, subject to certain exemptions. Employees who have annual military obligations are required to schedule their leave with People & Performance as far in advance as possible.

Eligibility for employment reinstatement following a period of service in the uniformed services is in accordance with USERRA. Upon reinstatement, an employee's compensation, benefits, retirement eligibility, and length of service will be calculated as if s/he had been continuously employed during the service leave period.

Please contact People & Performance for additional details regarding military leave.

Leave for Military Spouses and Domestic Partners Eligible employees as outlined below may take up to 10 days of unpaid leave during the period the employee's spouse or domestic partner is home on leave from deployment during a period of military conflict.

Eligibility requirements for this type of leave are as follows:

- The employee must be regularly scheduled for work at least 20 hours per week.
- The employee's spouse or domestic partner must:
 - Be a member of the U.S. Armed Forces, National Guard or military reserves who has been deployed during a period of military conflict (as defined in California Military Code section 395.10).
 - If a member of the U.S. Armed Forces, must have been deployed to an area designated as a combat theater or combat zone by the President of the United States.

An employee wishing to take this kind of leave must give the FoC advance notice of the leave,

Leaves of Absence

within two (2) business days of receiving notice that the spouse or domestic partner will be on leave from deployment. The employee must also submit written documentation of the dates that the spouse or domestic partner will be on leave from military deployment.

11.5 Personal Leave of Absence

Eligibility for an unpaid personal leave of absence will depend on the following:

- Satisfactory record of employment to date.
- Requested length of leave.
- After exhaustion of all vacation accrued time.
- Subject to business needs.

An unpaid personal leave of absence must be requested via your supervisor/manager and reviewed by People & Performance. An unpaid personal leave of absence may or may not be approved subject to business needs. The application of accrued vacation does not extend the duration of the leave. Employees must make payments for their share of premium cost for any benefits they currently participate in to continue those benefits during unpaid leave. A personal leave of absence is not a job protected leave of absence.

A personal leave of absence is approved at the discretion of the employee's manager and/or department head, with the concurrence of People & Performance.

Concerns or Complaints

12 Concerns or Complaints

It is one of the FoC's central aims to create a pleasant and productive work experience for all employees. However, we understand that, even in ideal circumstances, concerns and problems may arise. The FoC stands firmly behind an "Open-Door" policy, which encourages employees to promptly address work-related issues with their supervisor and other members of management and to participate in their constructive resolution.

12.1 Open-Door Policy for General Work-Related Concerns

The FoC follows an Open-Door Policy aimed at encouraging employees to participate in decisions affecting them and their daily professional lives.

Employees who have general job-related concerns regarding hours of work, pay, responsibilities, performance, day-to-day management, and similar general issues are encouraged to discuss the concerns with their direct supervisor/manager. If the employee feels uncomfortable addressing the concern with their supervisor, they may approach People & Performance. The FoC believes that general work-related concerns are best addressed through this type of informal and open communication.

Employees are encouraged to raise their work-related concerns as soon as possible after the event or circumstances that have generated them. The FoC's supervisory and management personnel will endeavor to address the concern and work with the employee to resolve it. While the FoC cannot guarantee that the employee in each instance will be satisfied with the resolution, the FoC will attempt to explain and discuss the result with the employee. No employee will be disciplined or otherwise penalized for raising a concern in good faith.

Employees who conclude that their work-related concerns should be brought to the attention of higher management may avail themselves of the Internal Complaint Review procedure described below. Further, employees whose concerns involve issues related to discrimination harassment, or retaliation are advised to bring the matter to the attention of People & Performance, as explained in the Preventing Workplace Discrimination, Harassment & Retaliation set forth in **Section 3/ Workplace Safety** above.

12.2 Internal Complaint Review Policy

Purpose and Scope

The purpose of the "Internal Complaint Review Policy" is to afford employees the opportunity to seek a formal review of their work-related concerns in instances where Open-Door discussions have failed to adequately address a matter, or in situations demanding formal review due to their nature and gravity (such as issues involving perceived discrimination, harassment, or other misconduct). This policy is intended to supplement the "Open-Door Policy."

Procedure

Filing of Complaint

Employees seeking a formal internal review should promptly contact People & Performance or submit the complaint through the Compliance HelpLine (833-44-PROTECT) or via the [Corporate Compliance](https://secure.ethicspoint.com/domain/media/en/gui/57698/index.html) link found [here](https://secure.ethicspoint.com/domain/media/en/gui/57698/index.html) (<https://secure.ethicspoint.com/domain/media/en/gui/57698/index.html>). The employee will be asked to submit a written complaint or to meet with a People & Performance representative to orally relay their complaint. The employee will be asked to cooperate in fully relaying information regarding their complaint, so that People & Performance may effectively address the complaint.

Review

Upon receiving a complaint, People & Performance promptly will conduct an inquiry regarding the complaint, holding discussions with those who may have knowledge of facts relevant to the complaint. In doing so, the FoC will treat the internal complaint with the highest degree of

Concerns or Complaints

discretion, sharing information regarding the complaint only as is necessary and appropriate in addressing and resolving the complaint.

Resolution

Upon completing its investigation, People & Performance will make a determination on the issues in question, in cooperation with the Chief People Officer or designee, or, by the Corporate Compliance Officer.

Once a determination is reached, People & Performance will meet with the employee who filed the complaint to relay the conclusion of the inquiry. While People & Performance must safeguard confidential information and may not be positioned to provide details regarding its determination, it will endeavor to explain the findings in a meaningful manner.

People & Performance will also meet with the person or persons whose conduct prompted the complaint and will take any necessary remedial action to address the situation.

Any questions or concerns at the conclusion of this process should be directly addressed to the Chief People Officer or designee, or to the Corporate Compliance Officer.

Filing of Complaint Matters Requiring Heightened Review

The FoC believes that, together, the Open-Door and Internal Complaint Review Policies provide effective and sufficient venues for employees seeking resolution of concerns affecting them in the workplace. However, the FoC recognizes that, in rare circumstances, an immediate heightened review of an employee's concern may be warranted.

Such circumstances may include:

- Situations in which the employee's complaint or concern involves members of People & Performance.
- Situations in which an employee's complaint or concern involves perceived ethical breaches and/or misconduct by members of the FoC's executive management (such as the CFO or President/CEO).
- Situations in which an employee holds a reasonable belief that the Internal Complaint Procedure provides an inadequate means of handling their complaint.

In those circumstances, employees are encouraged to contact the following persons, as may be appropriate, to voice their complaint or concern (all of whom may be contacted at the Corporate Office):

- The FoC's Corporate Compliance Officer
- The FoC's President/CEO
- Board of Directors (contacted through People & Performance)

Upon receiving a complaint, the Compliance Officer, President/CEO and/ or the Chair of the FoC Board of Directors will take steps to conduct an inquiry and address and resolve the complaint.

Non-Retaliation

The FoC adheres to a strict policy of non-retaliation, meaning that an employee will not suffer any negative job consequences due to their lodging of any complaint made in good-faith and participation in a subsequent inquiry. Any employee who believes they are being penalized as a consequence of their complaint or participation in an internal inquiry is advised to contact People & Performance, the Office of Risk Management, or President/CEO as appropriate.

Separation of Employment

13 Separation of Employment

13.1 Voluntary Resignation

As noted in the FoC's "Employment At Will" policy described above, employees may end their employment with the FoC at any time, with or without cause. To prevent undue disruption to FoC services and operations, the FoC requests employees give their supervisor or People & Performance a minimum of two (2) weeks' courtesy notice of their intention to terminate their employment with the FoC.

Supervisory and management personnel are requested to give four (4) weeks' notice.

Company policy is that if anyone does not provide at least two (2) weeks' notice to the FoC, they will not be eligible for rehire, unless in extenuating circumstances.

Employees may not utilize accrued vacation leave in order to extend the effective date of their resignation.

13.2 Job Abandonment

In addition to a termination pursuant to a resignation, the FoC will consider an employee to have voluntarily terminated his or her employment if the employee:

- Fails to return from an approved leave of absence on the date specified by the FoC.
- fails to report for work without notice to the FoC for three (3) consecutive days.

13.3 Involuntary Separation

The FoC may terminate any employee who cannot or does not meet the job performance requirements of their position, or who violates company policy and/or the FoC's Standards of Conduct.

Generally, termination occurs after the employee has not responded to reasonable attempts of management coaching and assistance, training, or an opportunity to improve performance to a satisfactory level or due to misconduct.

The FoC has a progressive discipline policy. Depending on the severity of the situation, the FoC can terminate an employee with approval from People & Performance without prior warning.

13.4 Business Related Termination (Redeployment / Layoff)

The FoC may initiate termination because of business conditions or circumstances beyond the control of the employee. This includes termination due to reorganization, relocation, or closing of facilities.

13.5 Ineligible for Rehire

Employees terminated for misconduct will not be eligible for rehire. A request for reconsideration may be submitted after a minimum period of two (2) years from date of separation. See **Section V, Employee Conduct**, for additional information regarding standards of job performance and good conduct. Some examples of ineligibility for rehire are listed below, but this is not an all-inclusive list:

- Involuntary termination of any kind.
- Employees that do not provide the requested minimum notice period as listed in Section 13.1 above (unless extenuating circumstances are provided People & Performance).
- Poor performance or violations of company policies, procedures and/or practices.

Separation of Employment

13.6 Final Wages Payment on Resignation or Termination

If an employee resigns, his or her paycheck will be mailed to the mailing address provided. If an employee resigns without giving 72 hours' notice or fails to return to work, he or she will be paid within 72 hours after notice is given. If an employee is terminated involuntarily, his or her paycheck will be available at the time of discharge. The employee's final paycheck will include payment for all wages owed and for accrued, unused vacation time and wellness days, less authorized and required deductions.

13.7 Return of FoC Property

Upon termination, employees must return to the FoC all FoC-furnished property, such as equipment, cell phones, ID cards, keys, credit cards, documents, equipment, and handbooks. If the FoC equipment is not returned, a police report could be filed for the equipment and further action could be taken with charges against the employee.

13.8 Exit Interview and Final Paperwork

Upon notice of termination, employees will be asked to complete a confidential exit survey. This survey is intended to afford employees the opportunity to communicate their views regarding their work with the FoC, including job duties, training, and supervision. Your candid feedback helps inform FoC efforts towards continuous improvement and increased employee engagement and retention.

14 Clinical Conduct

The following policies apply to Easterseals Northern California (ESNorCal) clinical employees who directly serve our clients. All clinical services policies may be found on Confluence.

14.1 Work Assignments and Session Cancellations

Clients will be assigned on the established availability of the employees. In most cases, these sessions will be scheduled to give the employee a week's notice. However, work assignments may be added to or changed on an employee's schedule as follows:

- **Within the established availability with at least 24 hours' notice:** Employees are expected to work these adjusted assignments, including sub sessions.
- **Within the established availability with less than 24 hours' notice:** In these cases when an employee is not previously scheduled to work during that time, the assignments may be accepted at the employee's discretion.

Schedulers and supervisors may reassign an employee to a different case or work assignment **without notice** when the change falls at a time the employee is already scheduled to work (e.g., if an employee is scheduled for indirect time and a sub session becomes available, the scheduler will assign the employee to that session and alert both the employee and their supervisor). Employees are expected to work these reassignments during regularly scheduled hours.

Employees are expected to follow the current documented processes for change in availability procedures.

When a client cancels a session, the employee will be notified and the session (and any subsequent indirect time) will be removed from their schedule. If a sub session is available, the employee will be reassigned and notified of the new session. Employees will be considered for sub sessions up to two (2) hours prior to the canceled session. Employees are expected to work reassignments which replace canceled time.

14.2 Callouts/Tardiness

All ESNorCal employees are expected to notify supervisors as far in advance as possible of an anticipated tardiness or absence. Ideally, all planned time-off requests should be submitted at least 2 weeks prior to the date of requested time off to the employee's supervisor for approval.

If a clinician needs to callout for a session, there are protocol requirements which vary depending on whether the employee is giving at least 48 hours' notice or not. Please reference the BI Callout procedures on Confluence for details.

Employees who arrive to their session/meeting any time after the scheduled session/meeting start time are considered tardy. As direct treatment staff, it is especially important to notify your supervisor with as much advance notice as possible so that alternate arrangements can be made for any client sessions you will be unable to attend.

Electronic Acknowledgement

Electronic Acknowledgement

All FoC employees are expected to acknowledge receipt of the Handbook via electronic acceptance in UltiPro as detailed below:

I acknowledge that I have received access to a copy of the Family of Companies' Employee Handbook. I understand that I am responsible for reading the Handbook and for knowing and complying with the guidelines and policies set forth in the Handbook.

I further understand, however, that the provisions of the Handbook are guidelines and do not create any contractual right or obligation, express or implied. I also understand that, with the exception of the Employment At Will Policy, the FoC has the right to amend, interpret, modify, or withdraw any of the provisions of the Handbook at any time in its sole discretion, with or without notice. Furthermore, I understand that, because the FoC cannot anticipate every issue that may arise during my employment, if I have any questions regarding any of the FoC's policies or procedures or other personnel policy matters, I should consult with People & Performance.

I understand and agree that my relationship with the FoC is "at-will," which means that my employment is for no definite period and may be terminated by me or by the FoC at any time and for any reason, with or without cause or advance notice. I understand that although other personnel policies, procedures, hours of work and employee benefits may change from time to time in the FoC's discretion, this at-will employment relationship can be changed only by a written agreement signed by the Board of Directors of the FoC, or the President and CEO as authorized by the Board. I also understand that the FoC may demote or discipline me or otherwise alter the terms of my employment at any time at its discretion.

Acknowledgment:

electronic signature

Catalight Foundation/Family of Companies

2730 Shadelands Drive, Bldg. 10
Walnut Creek, CA 94598
(925) 266 8400

ADDENDUM

ESH Employees

15 Introduction to ESH Benefits

ESH provides a wide range of benefits to help meet employees' present and future needs. The determination of benefits offered depends on your employment classification, how long you have worked for the company and/or how many hours you work.

This section of the Handbook contains brief summaries of the benefit programs that ESH currently offers. The summaries do not provide all the detailed, technical or exhaustive explanations of the benefits available, and are not intended to be a contract. Instead, the summaries are merely intended to provide general descriptions of some of our benefits, and you should refer to the applicable Summary Plan Descriptions ("SPDs") for more information. In case of conflict between the explanations of benefits in the Handbook and the applicable SPD, the terms of the SPD shall prevail.

ESH has the right to amend or terminate any of these benefit plans, in whole or in part at any time, with or without notice. ESH also has the right to increase, reduce, or eliminate the amount and application of the Company's contributions to any employee benefit plan to the extent permitted by applicable laws. The Company has the right to interpret its benefit plans and its interpretation shall be final.

Full details on the employee benefits currently provided by the Company are available for review from the ESH People & Performance team.

16 Benefits Eligibility

You may be eligible for the following benefits, depending on your employment status, classification and actual hours worked, according to the following schedule:

Upon hire:

- Holidays
- Temporary Disability Insurance
- Workers' Compensation
- Vacation
- Sick Leave
- Unemployment Insurance

Standard full-time employees are eligible on the first of the month following date of hire. Other classifications of employees who work four (4) consecutive weeks of 20 or more hours of work per week:

- Medical and Drug Insurance
- Dental Insurance
- Vision Insurance

After three (3) full months of continuous active employment:

- Flex Spending – Reimbursed Medical Expenses
- Voluntary Insurances – May include Cancer Plan, Accident and Term Life
- Flex Spending – Dependent Care

After six (6) full months of continuous active employment:

- 401(k)

16.1 Health Insurance

Standard full-time employees are eligible for participation in group health insurance benefits on the first of the month following date of hire. ESH will pay most of the cost for single coverage. Employees may share in the premium cost for single and/or dependent coverage depending on what plan they choose. Premiums are withheld from employees' pay through payroll deduction after a written authorization is signed by the employee and may be withheld on a pre-tax basis using the Company's Flexible Spending Plan.

Employees are encouraged to consult People & Performance for full details, including the specific costs of dependent coverage of our group health insurance plans.

If you or a dependent become ineligible for benefits due to a change in work hours or through a life event, or if you leave employment with ESH, you may have the right to continue your medical benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA). You will receive information about your COBRA rights from our designated COBRA Administrator.

16.2 Temporary Disability Insurance

ESH provides employees with temporary disability income protection when employees miss work due to non-work-related disabilities. In order to qualify for this benefit, an employee must have worked at least 20 hours or more per week for 14 weeks anywhere in the State of Hawaii.

A claim for temporary disability insurance must be completed by the employee. If you are eligible, temporary disability insurance will pay benefits at the rate of 58% of your average weekly earnings up to a maximum, beginning with the eighth calendar day of disability. Benefits are paid for a

maximum of 26 weeks in any benefit year. It is the employee's responsibility to apply for benefits and to timely complete the claim form, which includes obtaining a doctor's certification. Failure to promptly file a claim may result in loss of benefits.

Health insurance benefits ordinarily provided by ESH, and for which the employee is otherwise eligible, will be continued for up to three (3) months following the month in which the employee is first disabled, on the same terms and conditions as if the employee is actually working. Thereafter, the employee may be eligible for continuation of benefits through COBRA.

16.3 Dental and Vision Care Insurance

On the first of the month following date of hire, standard full-time employees are eligible for dental and vision care insurance. Separate premiums are charges for dental and vision care insurance coverage. An employee eligible for health insurance benefits may choose to waiver coverage and elect dental and/or vision care coverage only. Employees who have single health insurance coverage may also elect dental and/or visions care coverage for their families.

16.4 Unemployment Compensation Insurance

Unemployment compensation insurance is paid for by ESH and provides temporary income for employees who have lost their job under certain circumstances. Your eligibility for unemployment compensation is determined by state law.

16.5 Workers' Compensation Insurance

The Hawaii Workers' compensation law is a no-fault system designed to provide benefits to all employees for work related injuries. Workers' compensation insurance coverage is paid for by the employer and governed by state law.

The workers' compensation system provides for coverage of medical expenses and partial wage loss payments which commence on the fourth calendar day after disability.

If you are injured on the job, no matter how slightly, you are to report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your supervisor immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an accident report. You will then be required to submit a medical release before you can return to work.

Health insurance benefits ordinarily provided by ESH, and for which the employee is otherwise eligible, will be continued for up to three (3) months following the month in which the employee is first disabled, on the same terms and conditions as if the employee is actually working. Thereafter, the employee may be eligible for continuation of benefits through COBRA.

If the workers' compensation injury or illness is a "serious health condition" as defined under the Family and Medical Leave Act ("FMLA") the leave will be designated as FMLA leave for eligible employees.

16.6 COBRA

The Consolidated Omnibus Budget Reconciliation Act (COBRA) provides the opportunity for eligible employees and their beneficiaries to continue health insurance coverage under the ESH health plan when a "qualifying event" could result in the loss of eligibility. Qualifying events include resignation, termination of employment, death of an employee, reduction in hours, a leave of absence, divorce or legal separation, entitlement to Medicare, or where a dependent child no longer meets eligibility requirements.

Please contact People & Performance to learn more about your COBRA rights.

16.7 401(k) Retirement Plan

ESH has established a 401(k) plan that allows standard full-time employees to put aside money, on a pre-tax basis, for their retirement. Employees 21 years of age or older are eligible to join the 401(k) plan after six (6) months of employment; participants of the plan are subject to all terms and conditions of the plan.

Complete details of the 401(k) plan are described in the Summary Plan Description provided to eligible employees.

16.8 Flexible Spending Plan

ESH offers a Flexible Spending Plan that is meant to provide an opportunity to use pre-tax dollars to pay for certain costs related to health insurance premiums, medical expenses, dependent care and voluntary insurance products. There are many components to the Flexible Spending Plan and certain qualifications apply. Below you will find a few general guidelines about the plan:

Pre-tax Premium - If you qualify for health insurance (20 or more hours per week for four (4) consecutive weeks) you may qualify to withhold your portion of your health insurance premiums before taxes.

Medical Expenses - After 90 days of full-time employment (20 or more hours per week) you may set aside money, before taxes, that can be used to pay for eligible out of pocket medical expenses (including dental and prescribed drugs) for you or your spouse or dependents. (You must first receive and pay for the medical service, prescription or other eligible medical expenses, complete a Reimbursement Request Form and submit it to TASC.)

Dependent Care - After 90 days of full-time employment (20 or more hours per week) you may set aside money, before taxes, that can be used to pay for eligible childcare or dependent care. This includes after school care or licensed day care.

Voluntary Insurance Products - Included in the Flexible Spending Plan are select voluntary insurance products/services that provide certain levels of supplemental income in case of unexpected crises.

Leaves of Absence

17.1 Vacation

ESH provides vacation benefits to standard full-time employees for the purpose of rest and recreation. Standard part-time and on-call/casual employees are not eligible for paid vacation benefits.

Standard full-time employees should note the following guidelines for vacation benefits:

- Standard full-time employees working between 20 to 40 hours or more per week may accumulate vacation benefits on a pro-rata basis. That is, accrued vacation will be directly proportionate to the number of hours worked, excluding overtime.
- Accumulation of benefits begins with the first full pay period after the employee's date of hire. Employees may begin to utilize their vacation benefits as soon as they are accumulated, subject to the approval of their immediate supervisor.
- Vacation accumulation, for employees whose employee status changes from standard part-time or on-call/casual to standard full-time, begins on the effective date of the status change to full-time.

Employees are encouraged to utilize all vacation benefits each year; however, an employee may carry over one year's worth of vacation into the next year. Employees will not accumulate any additional vacation leave if they already have one year of current and one year of carry over vacation in their bank. When your balance falls below the one year of current and one year of carry over vacation, vacation may begin to accumulate on the next pay period. The maximum vacation balance cannot exceed 240 hours for any employee.

Vacation leave requests should be submitted in UltiPro and approved by the employee's supervisor at least two (2) weeks in advance of the time requested. For non-exempt employees, paid vacation may be taken in minimum increments of one hour. Exempt employees must take paid vacation leave in minimum increments of ½ day. Every effort will be made to grant vacation according to your request. However, management has the right to disapprove vacation requests based on workload considerations or other reasons as deemed appropriate.

Employees on unpaid leave of absence of 30 or more days do not accumulate vacation benefits during the period they are on leave of absence, except to the extent required by law, including as stated in the Company's leave policies.

Any unused, accumulated vacation time (not exceeding 80 hours) may be paid out to the employee upon termination or employment status change from full-time to part-time/on-call, whether voluntary or involuntary unless otherwise determined by Senior Management.

Managers may accrue paid vacation at rates other than those posted below.

Standard full-time employees accrue vacation benefits in accordance with the schedule below.

Date of hire through end of year three <i>(0-3 years)</i>	Beginning of fourth year through year six <i>(4-6 years)</i>	Beginning of seventh year <i>(7+ years)</i>
10 days per year <i>(3.08 hours every pay period for employees working 40 hours/week)</i>	15 days per year <i>(4.62 hours every pay period for employees working 40 hours/week)</i>	20 days per year <i>(6.15 hours every pay period for employees working 40 hours/week)</i>

17.2 Sick Leave

ESH's sick pay benefits are designed to provide a continuation of compensation/salary to standard full-time employees only during periods when they are unable to work due to illness or accident or need time for doctor's appointments and other health related visits. Sick pay benefits can be used for the days of actual employee illness, when time off is needed to care for someone in their immediate family (or someone for whose care you are directly responsible) who is ill or in need of medical attention.

If an employee's own illness or disability lasts more than seven (7) calendar days, the employee may be eligible for Temporary Disability Insurance (TDI) benefits.

The guidelines for sick pay benefits are as follows:

- Standard full-time employees who work 40 hours or more a week accumulate sick pay benefits on a pay period basis at a rate equivalent to 12 days per year.
- Standard full-time employees working between 20 and 40 hours per week shall accumulate sick leave on a pro-rata basis.

Accumulation of sick pay benefits begins with the first full pay period after the employee's date of hire. An employee may accumulate and carry over to the next calendar year a maximum of 24 sick days. Sick leave benefits will not continue to accumulate during an unpaid leave of absence of 30 days or more, except as required by law.

A request to apply sick pay benefits must be submitted in writing to the employee's supervisor no later than the end of the day that the employee returns to work after the absence. If the requested sick leave is scheduled in advance (e.g., doctor's appointments), or if sick leave is needed to take care of an immediate family member, the sick leave request should be submitted, and approved, before leave is taken. Sick leave may be taken in minimum of 1-hour increments for non-exempt employees. For exempt employees, sick leave must be taken in minimum half-day increments.

For the purposes of this sick leave policy, immediate family members are the employee's spouse or reciprocal beneficiary, parents (natural, foster, step), current in-laws, siblings and children (natural, adopted, step), or other tax dependent.

When any absence for the employee's own illness equals three (3) consecutive working days or more, or upon the request from your immediate supervisor, you may be required to present, a certificate from a physician or other evidence acceptable to the Company, certifying that the absence was due to illness or injury and the employee may return to work. To comply with the federal Genetic Information Non-Discrimination Act (GINA), we ask that you or your health care provider **not** provide any "genetic information," including but not limited to any family medical history information, when responding to any request for a doctor's note or work release. "Genetic information" as defined by GINA, includes any individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services.

When any absence to care for an immediate family member equals five (5) working days or more, or upon request by your immediate supervisor, a note from the treating physician explaining the need for the employee's care may be required or paid sick leave may not be provided and leave taken will be charged to vacation or unpaid leave if paid vacation is exhausted.

Sick pay benefits shall not be used as a substitute for or in lieu of vacation. All sick leave benefits shall be forfeited upon termination or resignation from employment or change in employment status to standard part-time or on call/casual.

Any abuse of sick pay benefits may result in disciplinary action, up to and including termination of employment. In addition, the Company may require a physician's certificate for absences occurring under questionable circumstances, which include, but are not limited to, an unexplained pattern of absence from work (e.g., preceding or following a holiday, every Monday, etc.); a pattern of tardiness in conjunction with a pattern of absenteeism; or repeated instances of absences lasting less than three (3) days. Employees shall be notified whether a physician's certificate is required of them.

17.3 Holidays

ESH generally recognizes the following holidays as paid holidays for standard full-time employees only. Management reserves the right to select the holiday schedule annually and revise with or without prior notice.

- New Year's Day
- Presidents' Day
- Prince Kuhio Day
- Memorial Day
- King Kamehameha Day
- Independence Day
- Statehood Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

Additionally, one floating holiday is granted on the first of each year to be used in that calendar year to use on your birthday, work anniversary and holidays not observed by ESH (refer to [Summary of Benefits](#) for more information).

Holidays should be scheduled and approved with one's supervisor in advance. Unused holidays do not accrue and are not paid out at termination.

ESH sets the holiday schedule annually and the official schedule is distributed with as much advance notice as possible. ESH has the right to make any adjustments to the holiday schedule, including after distribution, as needed.

Holiday pay is calculated by multiplying straight time rate of pay by the number of hours normally scheduled to work on that workday for non-exempt employees. Non-exempt employees must work their regularly scheduled workday immediately before and following the holiday in order to be eligible for the holiday pay.

Exempt and non-exempt employees who are on pre-approved vacation or sick leave on the day of the observed work holiday, the day will be paid as a holiday. Vacation or sick leave will not be applied.

All employees who are on an unpaid extended leave of absence, such as FMLA, HFL, TDI, Worker's Compensation and Military leave, do not qualify to receive holiday pay if their leave falls on an observed holiday.

ESH Leaves of Absence

Employees shall note the following guidelines for holiday benefits:

- Standard part-time and on-call/casual employees are not eligible to receive holiday pay. However, these employees who work on an observed holiday will be compensated at their regular rate of pay for all hours worked.
- If a standard full-time non-exempt employee works on an ESH recognized holiday, the employee will be paid for the hours they actually worked in addition to the holiday pay.
- If an exempt employee is traveling or required to attend a conference, meeting, training, or work on a special project on a weekend or company recognized holiday, s/he may be eligible for a subsequent paid day off which is subject to approval by his/her immediate supervisor

17.4 Bereavement Leave

Three (3) days leave with pay may be authorized for standard full-time employees upon the death of an immediate family member for making arrangements for/to attend the funeral, or to take care of family obligations. In order to allow extra time for travel, five (5) days leave with pay may be authorized for standard full-time employees attending an immediate family member's funeral outside the State of Hawaii.

For the purposes of this bereavement leave policy, members of the immediate family include the employee's spouse or reciprocal partner, children (including stepchildren and children of a reciprocal partner), parents (including stepparents, foster parents, parents-in-law and parents of a reciprocal partner), grandparents and siblings (including siblings-in-law, and siblings of a reciprocal partner).

All requests for bereavement leave must be submitted, in writing, to People & Performance. Management has sole discretion to determine whether request will be approved

17.5 Military Leave Eligibility

It is ESH's policy to grant employees in the uniformed services (Army, Navy, Marines, Air Force, Army or Air National Guard, the reserves, the commissioned corps of the Public Health Service, or any other uniformed services designated by the President in time of war or emergency) an unpaid leave of absence for military service.

Pay

Military leave is generally considered an unpaid leave of absence. However, salaried exempt employees who perform work during a week in which they perform military service receive the difference in their regular salary and military pay for that workweek. All employees may use their accrued and available vacation for military leave, upon their request.

Group Health Care Benefits

For absences of less than 30 days, the Company will continue group health care benefits as if the employee has not been absent. For absences exceeding 30 days, employees may elect continued coverage for up to 24 months, at the employee's own expense which is up to 102% of the full premium. Upon return to work, the employee's health insurance will be reinstated with no waiting period.

Other Benefits

Non-seniority benefits such as vacation, sick leave, and holiday pay, are generally not continued while employees are on military leave, unless the benefits are offered to other employees on similar non-military leaves. Thus, you generally will not accrue vacation or sick leave, nor be eligible for holiday pay during your absence. Your military leave, however, will count towards your length of employment so that upon your return to work, you will earn vacation and sick leave at a rate designated for your employment period.

Upon reinstatement, you will also be entitled to seniority-based benefits that are rewards for length of service. ESH's contributions to retirement benefits will also be made to your retirement accounts

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upon reinstatement, to the extent required by law. ESH credits your time spent on military leave when calculating its contribution amount. You will also have an opportunity to make up your missed contributions after you are reinstated.

Note: Employees must provide ESH with reasonable advance notice of military duty, unless military necessity prevents the employee from giving proper notice or it is impossible or unreasonable for the employee to do so. The leave of absence form should indicate the beginning date of the leave, the anticipated duration, and the expected date of return to work. In addition, the employee should attach to the Leave of Absence form a copy of the official military orders directing the military duty.

Return to Work

If an employee does not return to work within the time required by federal law after his/her military leave has expired, the absence shall be treated as an unexcused absence and the employee may be deemed voluntarily terminated under our no call no show policy.

Employees must return to work to or reapply for work in accordance with the following schedule, depending upon the length of military service. For all leaves exceeding 30 days, please submit your application for reemployment to the People & Performance Manager and provide documentation that your application is timely, you have not exceeded the 5-year limit on the duration of service while working at ESH, and that your separation/dismissal from service was not disqualifying (e.g. dishonorable discharge).

Period of Service

- **1 to 30 days** - Employee must report for work at the beginning of the first full regularly scheduled work period on the first full calendar day following the completion period of service and eight (8) hours following a safe transport home.
- **31 to 180 days** - Employee must apply for reemployment (written or verbal) no later than 14 days after completing service, unless it is impossible or unreasonable to do so.
- **More than 180 days** - Employee must apply for reemployment (written or verbal) no later than 90 days after completing service.

Upon your return from military leave, ESH will promptly place you in a position depending upon length of your military leave and your qualifications.

For Absences of 90 Days or Less

The employee will be placed in the position in which he or she would have been employed if uniformed service had not interrupted the employee's continuous employment. If the position is different from the position the employee left to perform uniformed service, the Company will make reasonable efforts to qualify the employee for the new position. If after reasonable efforts, the employee is not qualified for the new position, the Company will return the employee to the position he or she filled at the time of departure on military leave.

For Absences of More Than 90 Days

The employee will be placed in the position in which he or she would have been employed if uniformed service had not interrupted the employee's continuous employment or a position of like seniority, status, and pay. If the employee is not qualified to perform the duties of this position, the Company will make reasonable efforts to qualify the employee for the position. If after reasonable efforts the employee does not qualify for the new position, the Company will place the employee in the position the employee left to perform uniformed service. If that position is not available, the Company will place the employee in a position the employee is qualified to perform and is of like seniority, status and pay as the position the employee left to perform uniformed service.

Employees who are members of the National Guard will also be provided all benefits required by applicable Hawaii laws.

17.6 Leave for Victims of Domestic or Sexual Violence

As provided in the Hawaii Victims Leave Act ("HVLA" or "the Act") employees with six (6) months of service may take up to 30 days of unpaid victims leave per calendar year, if the employee or the employee's minor child is a victim of domestic or sexual violence (i.e., domestic abuse, sexual assault, or stalking).

For purposes of this policy, an employee's "minor child" includes a biological, adopted, foster, or stepchild, or any legal ward of an employee under the age of 18.

Leave under this policy will be permitted for the following purposes:

- To seek medical attention for the employee or the employee's minor child to recover from physical or psychological injury/disability caused by domestic or sexual violence.
- To obtain services from a victim services organization or victim advocacy organization, including:
 - Any nonprofit organization providing assistance to or serving as advocates of victims of domestic or sexual violence.
 - Any organization operating a shelter or providing professional counseling services for victims of domestic or sexual violence.
 - Any organization providing legal assistance to victims of domestic or sexual violence.
- To obtain psychological or other counseling.
- To temporarily or permanently relocate.
- To participate in legal action relating to or resulting from the domestic or sexual violence, or related legal action which enhances the health/safety of the employee, the employee's minor child, or those who associate or work with the employee (e.g., to obtain restraining orders or injunctions).
- Take other actions to enhance your health and safety, the health and safety of your children, and/or the health and safety of your co-workers and business associates.

Victims' leave is unpaid. Prior to taking any unpaid victims leave, employees must exhaust all other applicable and accumulated unpaid and paid leaves, including vacation, sick leave or temporary disability leave, if eligible. The combined total of paid and unpaid leave may not exceed thirty (30) days in most cases.

The Company will provide reasonable accommodation for a domestic or sexual violence victim, which may include, but is not limited to, such things as increasing security, screening phone calls or allowing flexible hours, absent undue hardship.

The employee must provide reasonable advance notice of the need for leave, unless doing so is not practicable due to imminent danger to the employee or the employee's minor child. While on leave, employees may be asked to provide weekly reports on the employee's status and whether they intend to return to work.

At the Company's request, the employee must provide appropriate certification of the need for leave. If requested certification is not provided, the request for protected leave may be denied. The type of certification that may be required will depend on the reason for taking the leave.

Employee takes leave for medical attention for themselves:

If the employee is a victim of domestic or sexual violence and seeks leave for medical attention caused by the domestic or sexual violence incident(s), the Company may ask the employee to provide the following:

- Doctor's certification estimating the length of leave and the beginning and ending dates of the leave.
- Another doctor's certification approving the employee's return to work.

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Employee takes five (5) days or less of leave for a reason other than his or her own medical care:

If an employee takes victims' leave for five (5) days or less for a reason other than to seek medical care for his or her own injuries caused by domestic or sexual violence, the Company may request that the employee provide a signed statement that:

- The employee or the employee's minor child is a victim of domestic or sexual violence.
- The leave is for a reason approved by the HVLA.

Employee takes more than five (5) days of leave for a reason other than his or her own medical care:

If an employee takes victims' leave for more than five (5) days to seek medical care for his or her own injuries caused by domestic or sexual violence, the Company may request that the employee provide:

- A signed written statement from:
 - The victim services organization.
 - The employee's or the minor child's attorney or advocate.
 - A medical or professional who has assisted the employee or the minor child with the domestic or sexual violence.
- A police or court record.

It is Company policy to place employees returning from victims leave into the same position held prior to the leave or to a comparable position, without loss of service credits or benefits accumulated prior to the leave.

Due to the sensitive nature of information related to an employee's request for or taking of victims leave, the Company treats such information as confidential. Our policy prohibits disclosure of such information unless:

- The employee requests or consents to the disclosure.
- A court or administrative agency orders the disclosure.
- The disclosure is otherwise required by federal or state law.

17.7 Voting

If an employee who is registered to vote in the primary, general or special election is unable to vote before or after working hours, s/he is entitled by Hawaii law to take two (2) consecutive hours off with pay to vote on election days. Employees should make every effort to vote prior to arrival at work or after working hours. Employees who do not have two (2) consecutive hours available during polling hours outside of their normal work schedule must request time off and receive approval from their supervisor five (5) business days prior to election day.

Non-exempt employees who falsely use the leave by failing to vote during the allotted time will have the time deducted from their wages and may be subject to disciplinary action. All employees must present their voting receipt to their supervisor upon returning to work.

17.8 Jury Duty

A leave of absence with pay for up to 10 workdays may be granted to standard full-time employees (who average at least 20 hours per week) if they are summoned to serve as a juror as prescribed by law. For these employees, the Company will pay the difference between the amount received from jury duty, not including parking and/or mileage fees, and regular straight time pay for that day.

Any absence more than 10 workdays for standard full-time employees will be unpaid, as are absences for any period of time for all standard part-time and casual/on-call employees (who average less than 20 hours per week) who serve on jury duty. However, exempt employees who work any portion of a workweek in which they also serve on jury duty will receive their full salary for that workweek. Any accumulated paid vacation may be substituted for unpaid leave under this policy.

If you are serving as a juror, you must immediately submit to your supervisor a proper certification from a court official indicating the time you spent on jury duty and the amount of jury fees you received.

If an employee is released from jury duty on any particular day during the employee's normal working hours during the period of paid leave, the employee must report to work for the remainder of the workday. It is the employee's responsibility to report for work at the end of jury duty leave. Failure to do so will be considered a voluntary termination.

All employees on jury duty will receive full-service credits and privileges during the entire period they are on jury duty.

17.9 Disability Leave

Employees who are unable to work because of sickness or accident, pregnancy, childbirth or related medical conditions make take leave for a reasonable period, as certified by the treating health care provider. The employee may be asked to provide a doctor's note estimating the length of leave, as well as its beginning and ending dates. Upon return to work following maternity leave, the employee may also be requested to provide a doctor's note approving her ability to return to work. At the conclusion of the disability leave, the employee will be returned to the same or a comparable job, with full accumulation of service credits and privileges.

Disability leave is unpaid. However, you will first be required to substitute available paid sick leave or vacation for otherwise unpaid leave. The substitution of paid leave time for unpaid leave time does not extend your maximum allowable disability leave.

For employees who are eligible for Family and Medical Leave Act ("FMLA") leave, the period of maternity leave will run concurrently with FMLA leave.

During disability leave, the Company will continue your participation in the Company's benefit plans as if you continued to be actively employed, under the same conditions contained in the FMLA leave section below.

17.10 Family Medical Leave

Hawaii Family Leave Law (HFLL) (Employees with Six Months of Service):

Employees who have completed six (6) consecutive months of service with the Company are eligible to take up to four (4) weeks of HFLL leave each calendar year, not to exceed more than four (4) weeks each rolling 12-month period measured backward from the date the employee uses HFLL, for any of the following reasons:

- o For the birth of his/her child and to care for the newborn child.
- o For placement with the employee of a child for adoption.
- o To care for the employee's spouse, civil union partner, reciprocal beneficiary, child (biological, step, adopted or foster), legal ward, parent (biological, step, adoptive, foster or in-law), legal guardian, grandparent or grandparent-in-law with a serious health condition.

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HFLI leave is unpaid. However, you may substitute any paid sick leave you have accumulated up to a maximum of 10 days per year, or any paid vacation, for otherwise unpaid HFLI leave. The substitution of paid leave for unpaid leave time does not extend your maximum allowable HFLI leave.

Employees qualifying for leave under the HFLI may also qualify for concurrent leave under the federal Family and Medical Leave Act, when the leave is to care for a qualifying family member or military service member. Leave taken because of an employee's own serious health condition is not covered by the HFLI but may qualify as FMLA leave.

For employees who are eligible for FMLA leave, the period of HFLI leave will run concurrently with FMLA leave.

Family and Medical Leave Act (FMLA) (Employees with Twelve Months of Service or More):

Employees who have completed 12 months of service with the Company, work at a location within 75 miles of at least 50 co-employees, and who have worked a minimum of 1,250 hours of service during the past 12 months may take up to 12 weeks of leave each rolling 12-month period measured backward from the date the employee uses FMLA leave, for any of the following reasons:

- An employee's incapacity due to pregnancy, prenatal medical care, or childbirth.
- For the birth of his/her child and to care for the newborn child.
- For placement with the employee of a child for adoption or foster care.
- To care for the employee's spouse, child or parent with a serious health condition.
- Because of a serious health condition that makes the employee unable to perform the functions of his/her job.

In addition, employees who are eligible under the FMLA may take Military Family Leave for qualifying exigencies, or to care for a covered service member as described below.

Definition of "Serious Health Condition"

A serious health condition is an illness, injury, impairment, or physical/mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider that either prevents the employee from performing the functions of the employee's job, or prevents the qualifying family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive full calendar days, combined with (a) at least two (2) visits to a health care provider; or (b) one visit to a health care provider and a regimen of continuing treatment. Incapacity due to pregnancy, incapacity due to a chronic condition, and other conditions may also meet the definition of continuing treatment.

Military Family Leave

Family Leave to Care for a Covered Servicemember:

Eligible employees may take up to 26 weeks of leave in a "single 12-month period" to care for a spouse, son, daughter, parent, or "next of kin" who is a covered servicemember. A covered servicemember is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, 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; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the 5-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

The FMLA definitions of "serious injury or illness" for current service members and veterans are distinct from the FMLA definition of "serious health condition." With regard to current members of the Armed Forces, serious injury or illness means an injury or illness that renders the service member medically unfit and was injured in the line of duty while on active duty or that existed prior to active duty and was aggravated by service in the line of duty on active duty. A serious injury or illness for

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a covered veteran means an injury or illness that was incurred or aggravated by the member in the line of duty on active duty in the Armed Forces and manifested itself before or after the member became a veteran, and is:

- A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the servicemember unable to perform the duties of the servicemember's office, grade, rank, or rating.
- A physical or mental condition for which the covered veteran has received a VA Service-Related Disability Rating (VASRD) of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave.
- A physical or mental condition that substantially impairs the veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would do so absent treatment.
- An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

For purposes of covered servicemember leave, "next of kin" is a blood relative who has been designated in writing by the covered servicemember as his/her next of kin, or is the nearest blood relative of the covered servicemember (other than a spouse, parent, son or daughter) in the following order or priority: blood relatives granted legal custody of the covered servicemember, siblings, grandparents, aunts and uncles, and first cousins.

The "single 12-month period" during which up to 26 weeks of leave may be taken begins on the first day of leave to care for the ill or injured covered servicemember. Leave which is taken to care for an ill or injured servicemember, when combined with FMLA leave taken for any other FMLA-qualifying reasons, shall not exceed 26 weeks in the single 12-month period.

FMLA Leave for "Qualifying Exigencies":

Eligible employees with a spouse, son, daughter, or parent who is on covered active duty or call to covered active duty status may use their 12 weeks of FMLA leave to address certain qualifying exigencies. "Covered active duty" for members of the regular Armed Forces means duty during deployment of the member with the Armed Forces to a foreign country. "Covered active duty" for members of the reserve components of the Armed Forces (members of the U.S. National Guard, Reserves, and retired members of the Regular Armed Forces or Reserves who are called up in support of a contingency operation) means duty during deployment of the member with the Armed Forces to a foreign country under a call or order to active duty in a contingency operation as defined in section 101(a) (13) (B) of title 10, United States Code.

Qualifying exigencies for the purpose of eligibility for FMLA leave include:

- Short-notice deployment, where the military member is notified of an impending call/order to active duty seven (7) calendar days or less prior to the date of deployment (employee may use up to a maximum of seven (7) calendar days of FMLA leave beginning on the date the military member is notified of the impending call or order).
- Military events and activities, such as attending an official ceremony, program, or event which is sponsored by the military, or counseling.
- Childcare and school activities (i.e. to arrange for alternative childcare, provide childcare on urgent or immediate need basis, enroll child in or transfer child to a new school or day care, and/or to attend meetings with school or day care staff).
- Making or updating financial and legal arrangements to address the military member's absence while on active duty or call to active duty.
- Attending counseling sessions conducted by a non-health care provider for the employee, the military member or the employee's child.
- Rest and recuperation to spend with military member on short-term, temporary, rest and recuperation leave during the period of deployment (maximum 15 calendar days per instance).

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Post-deployment reintegration briefings and activities, if taken within 90 days following termination of the military member's active duty status.

Providing care on an urgent, immediate need basis for, arranging to provide care for or attending meetings regarding the parent of the military member who is incapable of self-care.

Additional activities as may be agreed to by both the Company and the employee.

Generally, in order to be eligible for FMLA leave due to a qualifying exigency, there must be a relationship between the reason(s) for the leave and the military member's active duty or call to active duty.

Spouses Both Employed by the Company:

If you and your spouse are both employed by the Company and are eligible for FMLA leave, you and your spouse's total combined leave for the birth, adoption, or foster care a child, or to care for a parent with a serious health condition, shall not exceed 12 weeks in the applicable 12-month period. If you and your spouse are eligible for FMLA leave and each of you wish to take leave to care for a covered servicemember, you and your spouse may only take a combined total of 26 weeks of FMLA leave during the applicable "single 12-month period."

Substitution of Paid Leave:

FMLA leave is unpaid. However, except for periods of leave also covered by the HFLL, you will first be required to substitute any accumulated paid vacation or paid sick leave (if the reason for the leave is covered by the Company's sick leave policy), for any otherwise unpaid FMLA leave. The substitution of paid leave time for unpaid leave time does not extend your maximum allowable FMLA leave. Employees taking leave which is covered by the HFLL may use up to 10 days of any available and unused paid sick leave during the four (4) weeks of HFLL leave. Leave which is covered by paid leave, or by TDI, workers' compensation insurance, and which is taken for an FMLA qualifying reason, will be counted towards the 12-week FMLA leave allowance.

Although ordinarily the Company requires paid leave to be taken in certain minimum increments, those minimum increments will not be applied to employees taking intermittent family medical leave under this policy.

Health and Other Benefits:

During an approved FMLA leave, the Company will continue your participation in the Company's health plan as if you continued to be actively employed. If paid leave is substituted for unpaid FMLA leave, the Company will deduct your portion of the monthly premiums for the health plan, if any, through payroll deduction. If your leave is unpaid, you must make arrangements to pay your portion of the monthly premiums. Failure to pay your share of the monthly premium on a timely basis (within 30 days after it is due) may result in a discontinuation of the health care coverage. Also, if you elect not to return to work at the end of your FMLA leave, you will be required to reimburse the Company for the cost of the premiums paid by the Company for maintaining your health care coverage during your leave unless the reason you cannot return to work is due to a disability, serious health condition, serious injury or illness of a covered service member, or other circumstances beyond your control.

You may continue benefits other than group health insurance while on FMLA leave in accordance with the Company's policies. Any benefits that would normally be maintained while an employee is on other forms of leave, including paid leave if you substitute paid leave during FMLA leave, will be maintained during FMLA leave.

Use of FMLA or HFLL leave cannot result in the loss of any employment benefit which accrued prior to the start of leave.

Aggregation of Leave and Maximum Leave Amounts:

All HFLL-qualifying leave taken during a 12-month period shall be counted towards the 4-week maximum. All FMLA-qualifying leave (other than leave to care for a covered servicemember) which is taken during a rolling 12-month period shall be counted towards the maximum 12 weeks of FMLA leave for that period. When an employee takes leave to care for a covered servicemember as well as leave for other FMLA-qualifying reasons during a "single 12-month period," the aggregate FMLA leave taken during that "single 12-month period" may not exceed 26 weeks. The "single 12-month period" for purposes of leave to care for a covered servicemember begins on the first day of covered servicemember leave.

Leave taken for any reason which qualifies under both the HFLL and FMLA (for example, for birth of a child, for the placement of a child for adoption, or to care for a child, spouse, or parent with a serious health condition) will run concurrently, and will be counted against **both** the 4-week HFLL leave maximum and 12-week FMLA leave maximum for the applicable period.

Notice of Leave:

If you wish to take family or medical leave and the need for your leave is foreseeable, you must provide the Company with at least 30 days advance notice. If this is not possible or the need for leave is not foreseeable, you must notify the Company as soon as practicable (usually within 1-2 business days of learning of your need for leave). Even if the need for leave is unforeseeable, you must comply with the Company's normal notice and call-in procedures, except where not possible. Failure to provide adequate and reasonable notice of your need for family or medical leave may be grounds for delay of the leave, or if you are already absent from work, may result in your absence not being protected and subject to discipline.

Your request for family or medical leave should first be verbally communicated to your immediate supervisor. You will then be required to complete a written Request for Leave on the form provided by People & Performance. The written request must indicate the reason for your request for leave, the anticipated start of your leave, and the anticipated duration of your leave.

Employer Responsibilities:

The Company will inform employees requesting leave whether they are eligible under the HFLL or FMLA. If you are eligible for FMLA leave, you will be provided with an eligibility notice specifying any additional information required by the Company, as well as a description of your rights and responsibilities while on leave. If you are not eligible for FMLA leave, you will be given a reason for ineligibility.

We will inform you if leave will be designated as FMLA-protected, and if the leave is so designated, the amount of leave counted against your leave entitlement. You will also be notified if your leave is not FMLA-protected.

Leave Certification:

If you are requesting leave because of your own serious health condition, or to care for a qualifying family member with a serious health condition, or to care for a covered servicemember with a serious injury or illness, you must furnish the Company with appropriate medical certification. If you are requesting intermittent leave or leave on a reduced schedule, your certification must also include a statement of the medical necessity for such leave, and the expected duration of such leave. You may obtain certification forms from People & Performance. When you request leave, People & Performance will notify you of the requirements for certification of your leave, and the date by which the certification should be returned. The Company may also require subsequent periodic medical recertification.

If the Company has reason to doubt the validity of your medical certification, it may require you to be examined by a second health care provider at Company expense. If the second opinion conflicts with the original medical certification, the Company may seek a mutually agreeable physician to conduct a third examination (at the Company's expense) to provide a final and binding opinion.

If you are taking leave to care for a newborn, for adoption or foster care placement, or for a

ESH Leaves of Absence

“qualifying exigency” under Military Family Leave, you may be required to provide certification to support your leave. People & Performance will notify you of the required certification.

Failure to provide appropriate certification in a timely manner may result in denial of leave until it is provided, and an unreasonable failure to provide timely or appropriate certification may result in the leave being treated as an unexcused absence.

Intermittent and Reduced Schedule Leave:

Leave because of a serious health condition of either the employee or a family member may be taken intermittently (in separate blocks of time due to a single event) or on a reduced leave schedule (reducing the usual number of hours you work per work week or work day) if medically necessary, as certified by a health care provider. Intermittent or reduced schedule leave may also be taken for the period of HFLL leave only upon the birth or adoption of a child, for military exigency leave or for military caregiver leave. Appropriate certification of the need for intermittent or reduced schedule leave, including medical certification where applicable, will be required.

If your intermittent or reduced schedule leave is unpaid, the Company will reduce your compensation based on the amount of time you work, to the extent permitted by applicable wage and hour laws. Also, the Company may transfer you to an alternative position with equivalent pay and benefits that better accommodates your intermittent or reduced schedule leave. In addition, when you take intermittent or reduced schedule leave for planned medical treatments, you should discuss the timing of the leave with People & Performance and make reasonable efforts to schedule treatment so as not to unduly disrupt the Company's operations.

Returning to Work:

Employees on family and medical leave must contact People & Performance at least every 30 days to report on your status and intent to return to work. Under most circumstances, an employee returning from family or medical leave will be reinstated to the same position s/he held when the leave began or to an equivalent position. However, an employee has no greater right to reinstatement than if the employee had been employed continuously rather than on leave. In addition, reinstatement may be denied to certain high-level employees ("key employees"). Key employees will be notified, at the time they submit their request for FMLA, of their designation as such.

If you have taken medical leave because of your own serious health condition, including pregnancy, childbirth or related medical conditions, you must provide a medical certificate that verifies you are able to perform essential job functions, or if positions are available, in a "light duty" capacity. Employees who fail to provide the required medical certificate will not be allowed to return to work until the certificate is provided.

If an employee is unable to return to work at the end of an approved leave for his/her own serious health condition, s/he may submit a request for an extension of the leave to People & Performance. The extended leave request must state the reason for and anticipated duration of extended leave, supported by an appropriate health provider certification.

Notice of FMLA Rights:

The FMLA makes it unlawful for an employer to interfere with, restrain, or deny the exercise of any right protected under the FMLA. It is also unlawful to discharge or discriminate against any person for opposing any practice made unlawful by the FMLA, or for involvement in any proceeding under or relating to the FMLA. An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit to enforce FMLA rights. In addition, the FMLA does not affect any federal or state law prohibiting discrimination or supersede any State or local law or collective bargaining agreement providing greater family or medical leave rights.

If you have any questions about family and medical leaves, please contact People & Performance.

17.11 Personal Vehicle Mileage Reimbursement

ESH will reimburse mileage to employees who use their personal vehicles for ESH business purposes only in accordance with ESH's prevailing Mileage Reimbursement Policy. Mileage reimbursement claim is optional for the employee. It is the prerogative of the employee to claim or not to claim their mileage. ESH reserves the right to deny mileage reimbursement due to untimely or inaccurate submission of reimbursement forms or other documentation as required by management. Mileage reimbursement shall be based upon specified amounts per mile as issued at the discretion of ESH Senior Management.

17.12 ESH Employee Assistance Program (EAP)

ESH has established an agreement with Employee Assistance of the Pacific to provide an Employee Assistance Program (EAP) for all ESH employees.

The EAP provides confidential assessment, counseling, and referral services to help with a wide range of concerns, problems or issues about relationships, family conflicts, depression, anxiety, stress, work-related problems, substance abuse and other life issues. Employee Assistance of the Pacific also provides consulting services for supervisors and managers who need assistance in resolving situations with employees.

No fees are charged to employees for approved services provided under the ESH agreement; however, an employee who is referred by EAP for additional needed services is solely responsible for any costs incurred. ESH reserves the right to adjust EAP benefit levels with or without prior notice. ESH will strive to notify employees of such changes. EAP records are strictly confidential. An employee's disclosed information is not shared with the ESH or anyone from the FoC. Any other information requires written consent. In situations where there is concern for the safety of the employee or others, all state and federal regulations will be followed to ensure both safety and privacy of all those involved.

17.13 ESH Dress Code

Depending on the population you work with, your program, or for other safety reasons, your dress code may be more restrictive. Please contact your supervisor or a senior manager if you have a question about appropriate dress for your position or program.

Appropriate dress for employees is as follows:

- No strapless, spaghetti-strap, or halter dresses and/or tops.
- No apparel with offensive sayings, slogans, words or large pictures.
- No bare midriff or the braless look.
- Collared shirts and blouses are preferred.

ESH may observe Fridays as a business casual and/or dress down day unless otherwise determined. However, dress must remain professional and appropriate.

Office/Administration Attire on Fridays:

- Shorts are permitted; however, they must be walking or dress shorts, worn no higher than 2-3 inches above the knee, and appropriate for work.
- Shorts must also be comfortable or loose fitting.
- Spandex or similar type fitted pants must be worn with a shirt or blouse that is below the hip.
- No running shorts or board shorts (swimming shorts).
- Jeans or denim long pants, khakis, capri pants and long overalls are allowable; overall shorts are not.
- Long overalls must be worn with a shirt or blouse that is below the hip; no tube tops or short shirts. An employee reporting to work in violation of this policy may be sent home and not permitted back to work until dressed appropriately. Non-exempt employees will not be paid for the time off the job for this purpose. ESH Management has the sole authority to determine an appropriate dress code, and anyone who violates this standard may be subject to appropriate disciplinary action.

CONFIDENTIAL
INFORMATION,
NON-DISCLOSURE AND
INTELLECTUAL PROPERTY
OWNERSHIP AGREEMENT
(CINDIP) EXAMPLES

18 CINDIP Examples

The following are sample "Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreements" referred to as CINDIP. These CINDIP are for reference only. Employees will be required to sign a version of this CINDIP, specific to their affiliated company within the FoC (Catalight Foundation, Easterseals Northern California, Easterseals Hawaii, the BHPN and Xolv), at time of hire for new employees and via email for current employees.

This version is for ALL entities domiciled in California (Catalight Foundation, Easterseals Northern California, the BHPN and Xolv) and their employees residing in California.

Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement

In consideration of and as a condition to my employment relationship with **[insert entity name]** and/or entities that it owns, controls or is affiliated with, or its successors in business ("Company"), and the compensation paid to me, I agree to the following:

1. Employment Relationship

I agree that this Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement (this "Agreement") does not change any rights I may have under any existing agreements between Company and me or under applicable law.

2. Duties

I will perform for Company such duties as designated by Company from time to time. During my employment, I will devote my best efforts to the interests of Company and will not engage in other employment or in any activities detrimental to the best interests of Company without the prior written consent of Company.

3. At-Will Employment

I agree that my employment with Company is at-will, as defined under applicable law, meaning that either I or Company may terminate my employment at any time for any reason or no reason, without further obligation or liability.

4. Confidentiality

I acknowledge that in the course and scope of my relationship with Company I will have access to certain information, whether or not originated by me, which is used in Company's businesses and (i) is proprietary to, about or created by Company; (ii) gives Company some competitive business advantage or the opportunity of obtaining such advantage; (iii) the disclosure of which could be detrimental to the interests of Company; (iv) is designated as confidential information or trade secrets by Company, or from all the relevant circumstances should reasonably be assumed by me to be confidential and proprietary to Company; or (v) is not generally known by non-Company personnel (hereinafter, "Confidential Information").

This version is for ALL entities domiciled in California (Catalight Foundation, Easterseals Northern California, the BHPN and Xolv) and their employees residing in California.

This version is for Easterseals Hawaii and its employees residing in Hawaii.

Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement

In consideration of and as a condition to my employment relationship with **[insert entity name]** and/or entities that it owns, controls or is affiliated with, or its successors in business ("Company"), and the compensation paid to me, I agree to the following:

1. Employment Relationship

I agree that this Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement (this "Agreement") does not change any rights I may have under any existing agreements between Company and me or under applicable law.

2. Duties

I will perform for Company such duties as designated by Company from time to time. During my employment, I will devote my best efforts to the interests of Company and will not engage in other employment or in any activities detrimental to the best interests of Company without the prior written consent of Company.

3. At-Will Employment

I agree that my employment with Company is at-will, as defined under applicable law, meaning that either I or Company may terminate my employment at any time for any reason or no reason, without further obligation or liability.

4. Confidentiality

I acknowledge that in the course and scope of my relationship with Company I will have access to certain information, whether or not originated by me, which is used in Company's businesses and (i) is proprietary to, about or created by Company; (ii) gives Company some competitive business advantage or the opportunity of obtaining such advantage; (iii) the disclosure of which could be detrimental to the interests of Company; (iv) is designated as confidential information or trade secrets by Company, or from all the relevant circumstances should reasonably be assumed by me to be confidential and proprietary to Company; or (v) is not generally known by non-Company personnel (hereinafter, "Confidential Information").

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This version is for Easterseals Hawaii and its employees residing in Hawaii.

The primary differences are:

- For California employers and California-based employees: inclusion of California Labor Code provisions in Section 7 (Intellectual Property Ownership) and a related Exhibit B
- Section 13 (Governing Law/Jurisdiction/Severability) reflecting either State of California or State of Hawaii depending upon the domicile of the employer

Sample California Agreement

This version is for ALL entities domiciled in California (Catalight Foundation, Easterseals Northern California, the BHPN and Xolv) and their employees residing in California.

Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement

In consideration of and as a condition to my employment relationship with [insert entity name] and/or entities that it owns, controls or is affiliated with, or its successors in business ("Company"), and the compensation paid to me, I agree to the following:

1. Employment Relationship

I agree that this Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement (this "Agreement") does not change any rights I may have under any existing agreements between Company and me or under applicable law.

2. Duties

I will perform for Company such duties as designated by Company from time to time. During my employment, I will devote my best efforts to the interests of Company and will not engage in other employment or in any activities detrimental to the best interests of Company without the prior written consent of Company.

3. At-Will Employment

I agree that my employment with Company is at-will, as defined under applicable law, meaning that either I or Company may terminate my employment at any time for any reason or no reason, without further obligation or liability.

4. Confidentiality

I acknowledge that in the course and scope of my relationship with Company I will have access to certain information, whether or not originated by me, which is used in Company's businesses and (i) is proprietary to, about or created by Company; (ii) gives Company some competitive business advantage or the opportunity of obtaining such advantage; (iii) the disclosure of which could be detrimental to the interests of Company; (iv) is designated as confidential information or trade secrets by Company, or from all the relevant circumstances should reasonably be assumed by me to be confidential and proprietary to Company; or (v) is not generally known by non-Company personnel (hereinafter, "Confidential Information").

This version is for ALL entities domiciled in California (Catalight Foundation, Easterseals Northern California, the BHPN and Xolv) and their employees residing in California.

Agreement or other wrongful act; or (iii) has been rightfully received by me from a third party not under obligation of confidentiality to Company and without breach of this Agreement (hereinafter, "Non-Confidential Information").

Nothing in this Agreement shall (i) prohibit me from making reports of possible violations of federal law or regulation to any governmental agency or entity or (ii) require notification or prior approval by the Company of any reporting described in clause (i). Despite the foregoing, I am not permitted to reveal to any third party, including any governmental, law enforcement, or regulatory authority, information that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege, attorney work product doctrine and/or other applicable legal privileges. Notwithstanding any other provisions of this Agreement, I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of the Company's trade secret that is made: (i) confidentially to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose a trade secret of the Company to my attorney and use the trade secret information in related court proceedings, provided that I file any document containing the trade secret information under seal and do not disclose the trade secret, except pursuant to court order.

5. Third-Party Information

I recognize that Company has received and/or in the future may receive confidential information from third parties, subject to a duty on Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. I agree that I owe Company and such third parties, during the term of my employment with Company and thereafter, a duty to hold all such confidential information of third parties in the strictest confidence and not to disclose it to any person or entity (except as necessary in carrying out my work for Company consistent with Company's agreement with such third party) or to use it for the benefit of anyone other than for Company or such third party (consistent with Company's agreement with such third party), without the written authorization of an officer of Company.

6. Return of Confidential Material

All documents, including, but not limited to, forms, notebooks, notes, memoranda, records, diagrams, timesheets, bulletins, reports, computer programs, training materials, and files (including, but not limited to, e-mails),

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client lists, employee lists or memorializations of any kind coming into my possession or kept by me in connection with my employment with Company are the exclusive property of Company. I shall return to Company all such documents and other materials (including, but not limited to, electronic files, computer disks, e-mail messages, employee and client names and lists stored on any database or on websites or social networking accounts that were developed in connection with and/or as a result of my employment with Company, and log-in credentials for those accounts) upon termination of my employment, whether or not for cause and whatever the reason, or at any time Company may so request, unless specific written consent is obtained by me from an officer of Company to retain any such record. At Company's request, I will certify the deletion of any lists or names of any clients or candidates developed in connection with and/or as a result of my employment with Company from any social networking or similar website or database or contact information software. I understand that all such records, whether developed by me or others, are and will remain the property of Company.

7. Intellectual Property Ownership

I have attached hereto, as Exhibit A, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were made by me prior to the commencement of my employment with Company (collectively referred to as "Prior Inventions"), which belong solely to me or belong to me jointly with another, which relate in any way to any of Company's proposed businesses, products or research and development, and which are not assigned to Company hereunder; or, if no such list is attached, I represent that there are no such Prior Inventions. If, in the course of my employment with Company, I incorporate into a Company product, process or machine a Prior Invention owned by me or in which I have an interest, Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, worldwide license (with the right to sublicense) to make, have made, copy, modify, make derivative works of, use, sell and otherwise distribute such Prior Invention as part of or in connection with such product, process or machine.

I agree to promptly make full written disclosure to Company, will hold in trust for the sole right and benefit of Company, and hereby assign to Company, or its designee, all my right, title and interest throughout the world in and to any and all inventions, original works of authorship, developments, designs, concepts, know-how, improvements or trade secrets, whether or not patentable or registrable under copyright or similar laws, which I i) have solely or jointly conceived, developed or reduced to practice, ii) may solely or jointly conceive or develop or reduce to practice, or iii) caused or cause to be conceived or developed or reduced to practice, during my employment with Company whether before or after the date of this Agreement (collectively referred to as

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"Inventions"), except as provided in the last paragraph of this Section 7. I further acknowledge that all Inventions which are i) original works of authorship and ii) made by me (solely or jointly with others) within the scope of and during my employment by Company, constitute "work made for hire" (as such term is defined under the U.S. Copyright Act) and are compensated by my salary, unless regulated otherwise by the mandatory law of the state of California.

I agree to keep and maintain adequate and current written records of all Inventions made by me (solely or jointly with others) during my employment by Company. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, laboratory notebooks, and any other format. The records will be available to and remain the sole property of Company at all times. I agree not to remove such records from Company's place of business except as expressly permitted by Company policy which may, from time to time, be revised at the sole election of Company for the purpose of furthering Company's business. I agree to return all such records (including any copies thereof) to Company at the time of termination of my employment with Company.

I agree to assist Company, or its designee, at its expense, in every proper way to secure Company's, or its designee's, rights in the Inventions and any copyrights, patents, trademarks, mask work rights, moral rights, or other intellectual property rights relating thereto in any and all countries, including the disclosure to Company or its designee of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which Company or its designee shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, waive such rights, and in order to assign and convey to Company or its designee, and any successors, assigns and nominees the sole and exclusive rights, title and interest in and to such Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. I further agree that my obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue after the termination of this Agreement until the expiration of the last such intellectual property right to expire in any country of the world. If Company or its designee is unable because of my mental or physical incapacity or unavailability or for any other reason to secure my signature to apply for or to pursue any application for any United States or foreign patents, copyright, mask works or other registrations covering Inventions or original works of authorship assigned to Company or its designee as above, then I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters patent, copyright or other registrations thereon with the same legal force and effect as if originally executed by me. I hereby waive and irrevocably quitclaim to Company or its designee any and all

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claims, of any nature whatsoever, which I now or hereafter have for infringement of any and all proprietary rights assigned to Company or such designee.

I understand that the provisions of this Agreement requiring assignment of Inventions to Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870 (attached hereto as Exhibit B). I will advise Company promptly in writing of any inventions that I believe meet such provisions and are not otherwise disclosed on Exhibit A.

8. Non-Solicitation of Employees

I acknowledge that Company has a protectable interest in maintaining an uninterrupted workplace. In support of this interest, and in further consideration for my entering or continuing an employment relationship with Company, I agree that I will not use Company's Confidential Information, on behalf of myself or on behalf of any other person, company, business, or corporation, to directly or indirectly solicit, divert, or take away any of the employees of Company or any of its affiliates or subsidiaries. Further, during my employment with Company and at any time following the termination of my employment with Company for any reason, I shall not use the Confidential Information of Company to attempt to negatively influence any of Company's clients from using Company services or to solicit or influence or attempt to influence any client or other person either directly or indirectly to direct his use of Company's services to any person, firm, corporation, institution or other entity in competition with the business of Company.

9. Others' Trade Secrets/Other Obligations

I agree that Company is engaging me as an employee for my skills and abilities and not for any tangible or intangible items or proprietary information obtained by me from my former employers. In performing my duties as an employee of Company, I agree that I will exercise my best effort to avoid infringing on any third party's intellectual property rights. I represent that my performance of all the terms of this Agreement and as an employee of Company does not and will not breach any agreement to keep in confidence proprietary information or trade secrets acquired by me in confidence or in trust prior to my entering into an employee relationship with Company, and I will not disclose to Company, or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or others. I agree not to enter into any agreement, either written or oral, in conflict herewith. I further acknowledge that Company from time to time may have agreements with other persons or entities which impose obligations or restrictions on Company regarding the confidential nature of work thereunder.

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I agree to be bound by all such obligations and restrictions and to take all action necessary to discharge the obligations of Company thereunder.

10. Waiver/Notice

No waiver by Company of any breach by me of any of the provisions of this Agreement shall be deemed a waiver of any preceding or succeeding breach of the same or any other provisions hereof. No such waiver shall be effective unless in writing and then only to the extent expressly set forth therein. Any notice required or provided to be given under this Agreement shall be sufficient if in writing, sent by first class mail, to my residence in the case of notice to me or to its principal office in the case of Company. Any such notice shall be effective upon delivery if it is hand delivered, upon receipt if it is transmitted electronically, or upon the expiration of forty-eight (48) hours after deposit in the United States mail if mailed.

11. Injunctive Relief/Attorneys' Fees

I agree that it would be difficult to measure the damage to Company from any breach by me of the covenants in this Agreement, that injury to Company from any such breach would be impossible to calculate, and that money damages would therefore be an inadequate remedy for any such breach. Accordingly, I agree that if I breach any provision in this Agreement, Company shall be entitled, in addition to all other remedies it may have, to injunctions or other appropriate orders to restrain any such breach without showing or proving any actual damage to Company. I agree that if any action or law or in equity is necessary to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and expenses in addition to any other relief to which such prevailing party may be entitled.

12. Successors/Assignment

This Agreement shall inure to the benefit of the successors and assigns of Company, and shall be binding upon my heirs, assigns, administrators, and representatives. Except as otherwise expressly provided herein, any and all rights, duties, and benefits herein may not (by operation of law or otherwise) be assigned or delegated by me but may be so assigned or delegated by Company.

13. Governing Law/Jursidiction/Severability

This Agreement will be governed and construed in accordance with the laws of the State of California without regard to the conflicts of laws or principles thereof. Any claims by you relating to this Agreement shall be

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brought exclusively in the state or federal courts in the State of California. If any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, I agree that such invalidity shall not affect the validity of the remaining provisions of this Agreement and further agree to substitute for the invalid provision a valid provision which most closely approximates the intent and economic effect of the invalid provision.

14. Integration/Modification

I agree that this Agreement contains my entire agreement with Company on the subject matter of this Agreement, superseding any previous oral or written communications, representations, understandings, or agreements with Company or any officer or representative thereof.

15. Survival

The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by Company to any successor in interest or other assignee.

16. Acknowledgement

I have carefully reviewed this Agreement and agree to and accept its terms and conditions. I understand that this Agreement contains material restrictions on my right to disclose or use, during or subsequent to my employment relationship with Company, information learned or developed by me during my employment with Company and that if I have any questions or reservations, I should consult with an attorney and have had an opportunity to do so.

I acknowledge that I have read and understand this Agreement and agree to the terms of this Agreement. Furthermore, I acknowledge receipt of a copy of this Agreement.

Employee Name (Print)

Date

Employee Signature

Company Name

Date

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Company Signature (Name/Title)

SAMPLE

This version is for ALL entities domiciled in California (Catalight Foundation, Easterseals Northern California, the BHPN and Xolv) and their employees residing in California.

EXHIBIT B

Section 2870 of the California Labor Code is as follows:

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

(1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or

(2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

SAMPLE

Sample ESH CINDIP

This version is for Easterseals Hawaii and its employees residing in Hawaii.

Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement

In consideration of and as a condition to my employment relationship with [insert entity name] and/or entities that it owns, controls or is affiliated with, or its successors in business ("Company"), and the compensation paid to me, I agree to the following:

1. Employment Relationship

I agree that this Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement (this "Agreement") does not change any rights I may have under any existing agreements between Company and me or under applicable law.

2. Duties

I will perform for Company such duties as designated by Company from time to time. During my employment, I will devote my best efforts to the interests of Company and will not engage in other employment or in any activities detrimental to the best interests of Company without the prior written consent of Company.

3. At-Will Employment

I agree that my employment with Company is at-will, as defined under applicable law, meaning that either I or Company may terminate my employment at any time for any reason or no reason, without further obligation or liability.

4. Confidentiality

I acknowledge that in the course and scope of my relationship with Company I will have access to certain information, whether or not originated by me, which is used in Company's businesses and (i) is proprietary to, about or created by Company; (ii) gives Company some competitive business advantage or the opportunity of obtaining such advantage; (iii) the disclosure of which could be detrimental to the interests of Company; (iv) is designated as confidential information or trade secrets by Company, or from all the relevant circumstances should reasonably be assumed by me to be confidential and proprietary to Company; or (v) is not generally known by non-Company personnel (hereinafter, "Confidential Information").

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Such Confidential Information includes, but is not limited to, the following types of information and other information of a similar nature (whether or not reduced to writing or designated as "confidential"): (i) design concepts, specifications, techniques and methods of any type related to Company's services; (ii) Company's internal personnel and financial information, employee names, and other employee information, purchasing and internal cost information, internal services and operational manuals, timesheets, computer files (including, but not limited to, e-mails, Microsoft Word files, and Excel files), and the manner and methods of conducting Company's business (including, but not limited to, all forms, manuals and training materials); (iii) marketing and development plans, price and cost data, price and fee amounts, pricing and billing policies, quoting procedures, marketing techniques and methods of obtaining business, forecasts and forecast assumptions, and future plans and potential strategies of Company that have been or are being discussed; (iv) names and contact information of clients and their representatives, contracts and their contents and parties, client lists, client services, client billing records, client work-in-progress reports, data provided by clients, client work papers, financial statements, tax returns and the type, quantity, specifications, and history of services purchased, leased, licensed, or received by clients of Company; and (v) information from any Company database or any other database that any employee developed regarding clients while in the employ of Company.

I acknowledge that all such Confidential Information is proprietary to Company and is a special, valuable, and unique asset of the business of Company, and that my service as an employee creates a relationship of confidence and trust between Company and me with respect to the Confidential Information. Therefore, I agree that during my employment with Company or at any time after my employment with Company ends: (i) I will not disclose directly or indirectly to any person or entity or use for my own benefit any such Confidential Information; (ii) I will restrict the disclosure of such Confidential Information to those Company employees and contractors with a need to know to perform services for Company and who have agreed to be bound by similar confidentiality restrictions; (iii) I will take all reasonable precautions to prevent inadvertent disclosure of such Confidential Information; (iv) I will not use, copy, or transfer such Confidential Information other than as strictly necessary to perform services on behalf of Company; and (v) I will take all reasonable precautions to prevent inadvertent use, copying, or transfer of such Confidential Information.

This confidentiality provision does not apply to information which: (i) was already rightfully known to me prior to the time that it is disclosed to me hereunder; (ii) is in or has entered the public domain through no breach of this

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Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement

In consideration of and as a condition to my employment relationship with [insert entity name] and/or entities that it owns, controls or is affiliated with, or its successors in business ("Company"), and the compensation paid to me, I agree to the following:

1. Employment Relationship

I agree that this Confidential Information, Non-Disclosure and Intellectual Property Ownership Agreement (this "Agreement") does not change any rights I may have under any existing agreements between Company and me or under applicable law.

2. Duties

I will perform for Company such duties as designated by Company from time to time. During my employment, I will devote my best efforts to the interests of Company and will not engage in other employment or in any activities detrimental to the best interests of Company without the prior written consent of Company.

3. At-Will Employment

I agree that my employment with Company is at-will, as defined under applicable law, meaning that either I or Company may terminate my employment at any time for any reason or no reason, without further obligation or liability.

4. Confidentiality

I acknowledge that in the course and scope of my relationship with Company I will have access to certain information, whether or not originated by me, which is used in Company's businesses and (i) is proprietary to, about or created by Company; (ii) gives Company some competitive business advantage or the opportunity of obtaining such advantage; (iii) the disclosure of which could be detrimental to the interests of Company; (iv) is designated as confidential information or trade secrets by Company, or from all the relevant circumstances should reasonably be assumed by me to be confidential and proprietary to Company; or (v) is not generally known by non-Company personnel (hereinafter, "Confidential Information").

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Such Confidential Information includes, but is not limited to, the following types of information and other information of a similar nature (whether or not reduced to writing or designated as "confidential"): (i) design concepts, specifications, techniques and methods of any type related to Company's services; (ii) Company's internal personnel and financial information, employee names, and other employee information, purchasing and internal cost information, internal services and operational manuals, timesheets, computer files (including, but not limited to, e-mails, Microsoft Word files, and Excel files), and the manner and methods of conducting Company's business (including, but not limited to, all forms, manuals and training materials); (iii) marketing and development plans, price and cost data, price and fee amounts, pricing and billing policies, quoting procedures, marketing techniques and methods of obtaining business, forecasts and forecast assumptions, and future plans and potential strategies of Company that have been or are being discussed; (iv) names and contact information of clients and their representatives, contracts and their contents and parties, client lists, client services, client billing records, client work-in-progress reports, data provided by clients, client work papers, financial statements, tax returns and the type, quantity, specifications, and history of services purchased, leased, licensed, or received by clients of Company; and (v) information from any Company database or any other database that any employee developed regarding clients while in the employ of Company.

I acknowledge that all such Confidential Information is proprietary to Company and is a special, valuable, and unique asset of the business of Company, and that my service as an employee creates a relationship of confidence and trust between Company and me with respect to the Confidential Information. Therefore, I agree that during my employment with Company or at any time after my employment with Company ends: (i) I will not disclose directly or indirectly to any person or entity or use for my own benefit any such Confidential Information; (ii) I will restrict the disclosure of such Confidential Information to those Company employees and contractors with a need to know to perform services for Company and who have agreed to be bound by similar confidentiality restrictions; (iii) I will take all reasonable precautions to prevent inadvertent disclosure of such Confidential Information; (iv) I will not use, copy, or transfer such Confidential Information other than as strictly necessary to perform services on behalf of Company; and (v) I will take all reasonable precautions to prevent inadvertent use, copying, or transfer of such Confidential Information.

This confidentiality provision does not apply to information which: (i) was already rightfully known to me prior to the time that it is disclosed to me hereunder; (ii) is in or has entered the public domain through no breach of this

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Agreement or other wrongful act; or (iii) has been rightfully received by me from a third party not under obligation of confidentiality to Company and without breach of this Agreement (hereinafter, "Non-Confidential Information").

Nothing in this Agreement shall (i) prohibit me from making reports of possible violations of federal law or regulation to any governmental agency or entity or (ii) require notification or prior approval by the Company of any reporting described in clause (i). Despite the foregoing, I am not permitted to reveal to any third party, including any governmental, law enforcement, or regulatory authority, information that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege, attorney work product doctrine and/or other applicable legal privileges. Notwithstanding any other provisions of this Agreement, I will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of the Company's trade secret that is made: (i) confidentially to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If I file a lawsuit for retaliation by the Company for reporting a suspected violation of law, I may disclose a trade secret of the Company to my attorney and use the trade secret information in related court proceedings, provided that I file any document containing the trade secret information under seal and do not disclose the trade secret, except pursuant to court order.

5. Third-Party Information

I recognize that Company has received and/or in the future may receive confidential information from third parties, subject to a duty on Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. I agree that I owe Company and such third parties, during the term of my employment with Company and thereafter, a duty to hold all such confidential information of third parties in the strictest confidence and not to disclose it to any person or entity (except as necessary in carrying out my work for Company consistent with Company's agreement with such third party) or to use it for the benefit of anyone other than for Company or such third party (consistent with Company's agreement with such third party), without the written authorization of an officer of Company.

6. Return of Confidential Material

All documents, including, but not limited to, forms, notebooks, notes,

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memoranda, records, diagrams, timesheets, bulletins, reports, computer programs, training materials, and files (including, but not limited to, e-mails), client lists, employee lists or memorializations of any kind coming into my possession or kept by me in connection with my employment with Company are the exclusive property of Company. I shall return to Company all such documents and other materials (including, but not limited to, electronic files, computer disks, e-mail messages, employee and client names and lists stored on any database or on websites or social networking accounts that were developed in connection with and/or as a result of my employment with Company, and log-in credentials for those accounts) upon termination of my employment, whether or not for cause and whatever the reason, or at any time Company may so request, unless specific written consent is obtained by me from an officer of Company to retain any such record. At Company's request, I will certify the deletion of any lists or names of any clients or candidates developed in connection with and/or as a result of my employment with Company from any social networking or similar website or database or contact information software. I understand that all such records, whether developed by me or others, are and will remain the property of Company.

7. Intellectual Property Ownership

I have attached hereto, as Exhibit A, a list describing all inventions, original works of authorship, developments, improvements, and trade secrets which were made by me prior to the commencement of my employment with Company (collectively referred to as "Prior Inventions"), which belong solely to me or belong to me jointly with another, which relate in any way to any of Company's proposed businesses, products or research and development, and which are not assigned to Company hereunder; or, if no such list is attached, I represent that there are no such Prior Inventions. If, in the course of my employment with Company, I incorporate into a Company product, process or machine a Prior Invention owned by me or in which I have an interest, Company is hereby granted and shall have a non-exclusive, royalty-free, irrevocable, perpetual, worldwide license (with the right to sublicense) to make, have made, copy, modify, make derivative works of, use, sell and otherwise distribute such Prior Invention as part of or in connection with such product, process or machine.

I agree to promptly make full written disclosure to Company, will hold in trust for the sole right and benefit of Company, and hereby assign to Company, or its designee, all my right, title and interest throughout the world in and to any and all inventions, original works of authorship, developments, designs, concepts, know-how, improvements or trade secrets, whether or not patentable or registrable under copyright or similar laws, which I i) have solely or jointly conceived, developed or reduced to practice, ii) may solely or jointly conceive or develop or reduce to practice, or iii) caused or cause to be conceived or

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developed or reduced to practice, during my employment with Company whether before or after the date of this Agreement (collectively referred to as "Inventions"), except as provided in the last paragraph of this Section 7. I further acknowledge that all Inventions which are i) original works of authorship and ii) made by me (solely or jointly with others) within the scope of and during my employment by Company, constitute "work made for hire" (as such term is defined under the U.S. Copyright Act) and are compensated by my salary, unless regulated otherwise by the mandatory law of the state of California.

I agree to keep and maintain adequate and current written records of all Inventions made by me (solely or jointly with others) during my employment by Company. The records may be in the form of notes, sketches, drawings, flow charts, electronic data or recordings, laboratory notebooks, and any other format. The records will be available to and remain the sole property of Company at all times. I agree not to remove such records from Company's place of business except as expressly permitted by Company policy which may, from time to time, be revised at the sole election of Company for the purpose of furthering Company's business. I agree to return all such records (including any copies thereof) to Company at the time of termination of my employment with Company.

I agree to assist Company, or its designee, at its expense, in every proper way to secure Company's, or its designee's, rights in the Inventions and any copyrights, patents, trademarks, mask work rights, moral rights, or other intellectual property rights relating thereto in any and all countries, including the disclosure to Company or its designee of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments which Company or its designee shall deem necessary in order to apply for, obtain, maintain and transfer such rights, or if not transferable, waive such rights, and in order to assign and convey to Company or its designee, and any successors, assigns and nominees the sole and exclusive rights, title and interest in and to such Inventions, and any copyrights, patents, mask work rights or other intellectual property rights relating thereto. I further agree that my obligation to execute or cause to be executed, when it is in my power to do so, any such instrument or papers shall continue after the termination of this Agreement until the expiration of the last such intellectual property right to expire in any country of the world. If Company or its designee is unable because of my mental or physical incapacity or unavailability or for any other reason to secure my signature to apply for or to pursue any application for any United States or foreign patents, copyright, mask works or other registrations covering Inventions or original works of authorship assigned to Company or its designee as above, then I hereby irrevocably designate and appoint Company and its duly authorized officers and agents as my agent and attorney in fact, to act for and in my behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance or transfer of letters patent, copyright or other registrations

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thereon with the same legal force and effect as if originally executed by me. I hereby waive and irrevocably quitclaim to Company or its designee any and all claims, of any nature whatsoever, which I now or hereafter have for infringement of any and all proprietary rights assigned to Company or such designee.

8. Non-Solicitation of Employees

I acknowledge that Company has a protectable interest in maintaining an undisrupted workplace. In support of this interest, and in further consideration for my entering or continuing an employment relationship with Company, I agree that I will not use Company's Confidential Information, on behalf of myself or on behalf of any other person, company, business, or corporation, to directly or indirectly solicit, divert, or take away any of the employees of Company or any of its affiliates or subsidiaries. Further, during my employment with Company and at any time following the termination of my employment with Company for any reason, I shall not use the Confidential Information of Company to attempt to negatively influence any of Company's clients from using Company services or to solicit or influence or attempt to influence any client or other person either directly or indirectly to direct his use of Company's services to any person, firm, corporation, institution or other entity in competition with the business of Company.

9. Others' Trade Secrets/Other Obligations

I agree that Company is engaging me as an employee for my skills and abilities and not for any tangible or intangible items or proprietary information obtained by me from my former employers. In performing my duties as an employee of Company, I agree that I will exercise my best effort to avoid infringing on any third party's intellectual property rights. I represent that my performance of all the terms of this Agreement and as an employee of Company does not and will not breach any agreement to keep in confidence proprietary information or trade secrets acquired by me in confidence or in trust prior to my entering into an employee relationship with Company, and I will not disclose to Company, or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or others. I agree not to enter into any agreement, either written or oral, in conflict herewith. I further acknowledge that Company from time to time may have agreements with other persons or entities which impose obligations or restrictions on Company regarding the confidential nature of work thereunder. I agree to be bound by all such obligations and restrictions and to take all action necessary to discharge the obligations of Company thereunder.

10. Waiver/Notice

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No waiver by Company of any breach by me of any of the provisions of this Agreement shall be deemed a waiver of any preceding or succeeding breach of the same or any other provisions hereof. No such waiver shall be effective unless in writing and then only to the extent expressly set forth therein. Any notice required or provided to be given under this Agreement shall be sufficient if in writing, sent by first class mail, to my residence in the case of notice to me or to its principal office in the case of Company. Any such notice shall be effective upon delivery if it is hand delivered, upon receipt if it is transmitted electronically, or upon the expiration of forty-eight (48) hours after deposit in the United States mail if mailed.

11. Injunctive Relief/Attorneys' Fees

I agree that it would be difficult to measure the damage to Company from any breach by me of the covenants in this Agreement, that injury to Company from any such breach would be impossible to calculate, and that money damages would therefore be an inadequate remedy for any such breach. Accordingly, I agree that if I breach any provision in this Agreement, Company shall be entitled, in addition to all other remedies it may have, to injunctions or other appropriate orders to restrain any such breach without showing or proving any actual damage to Company. I agree that if any action or law or in equity is necessary to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs, and expenses in addition to any other relief to which such prevailing party may be entitled.

12. Successors/Assignment

This Agreement shall inure to the benefit of the successors and assigns of Company, and shall be binding upon my heirs, assigns, administrators, and representatives. Except as otherwise expressly provided herein, any and all rights, duties, and benefits herein may not (by operation of law or otherwise) be assigned or delegated by me but may be so assigned or delegated by Company.

13. Governing Law/Jurisdiction/Severability

This Agreement will be governed and construed in accordance with the laws of the State of Hawaii without regard to the conflicts of laws or principles thereof. Any claims by you relating to this Agreement shall be brought exclusively in the state or federal courts in the State of Hawaii. If any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, I agree that such invalidity shall not affect the validity of the remaining provisions of this Agreement and further agree to substitute for the invalid provision a valid provision which most closely approximates the intent

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and economic effect of the invalid provision.

14. Integration/Modification

I agree that this Agreement contains my entire agreement with Company on the subject matter of this Agreement, superseding any previous oral or written communications, representations, understandings, or agreements with Company or any officer or representative thereof.

15. Survival

The provisions of this Agreement shall survive the termination of my employment and the assignment of this Agreement by Company to any successor in interest or other assignee.

16. Acknowledgement

I have carefully reviewed this Agreement and agree to and accept its terms and conditions. I understand that this Agreement contains material restrictions on my right to disclose or use, during or subsequent to my employment relationship with Company, information learned or developed by me during my employment with Company and that if I have any questions or reservations, I should consult with an attorney and have had an opportunity to do so.

I acknowledge that I have read and understand this Agreement and agree to the terms of this Agreement. Furthermore, I acknowledge receipt of a copy of this Agreement.

Employee Name (Print)

Date

Employee Signature

Company Name

Date

Company Signature (Name/Title)

EXHIBIT A

**LIST OF PRIOR INVENTIONS
AND ORIGINAL WORKS OF AUTHORSHIP
EXCLUDED UNDER SECTION 7**

 Title

 Date

Identifying Number
or Brief Description

No inventions or improvements

Additional Sheets Attached

Signature of Employee: _____

Print Name of Employee: _____

Date: _____

SAMPLE