

# EMPLOYEE HANDBOOK



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# Welcome to Nadel Inc.

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We feel confident you'll find we are a good company to work for and we want to help you quickly feel at home with us. We hope that you will find your position with Nadel Inc. rewarding, challenging and productive.

Because our success depends upon the dedication of our employees, we are highly selective in choosing new members of our team. We look to you and our other employees to contribute to the success of Nadel Inc.

This employee handbook applies to all employees and is intended to provide guidelines and summary information about Nadel Inc.'s policies, procedures, benefits and rules of conduct. This handbook is not intended to be a contract, but to summarize the policies and practices in effect at the time of publication. It is important that you read, understand, and become familiar with the handbook and comply with the standards that have been established.

Please make note that updates or changes to the policies and practices contained in this handbook may be communicated via email, with the new or updated documents posted to our My Nadel intranet.

It is obviously not possible to anticipate every situation that may arise in the workplace or to provide information that answers every possible question. As a result, Nadel Inc. reserves the right to modify or revise any policy, benefit, or provision, with or without notice, as it deems necessary or appropriate. The information in this employee handbook supersedes and replaces all previous handbooks and HR policies.

Please feel free to talk to any member of the management team if you have questions or need additional information.

We are really glad you are here!

# Required Policies

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## ***AT-WILL EMPLOYMENT STATUS***

Nadel Inc. employees are employed on an at-will basis. Employment at-will means that the employment relationship may be terminated, with or without cause and with or without advance notice, at any time by the employee or Nadel Inc. Nothing in this handbook shall limit the right to terminate at-will employment. No manager or supervisor of Nadel Inc. has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the President/ CEO of Nadel Inc. has the authority to make any such agreement, which is binding only if it is in writing.

Nothing in this at-will statement is intended to interfere with an employee's rights to communicate or work with others toward altering the terms and conditions of his or her employment.

## ***EQUAL EMPLOYMENT OPPORTUNITY***

Nadel Inc. is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available person in every job. policy prohibits discrimination based on race, color, creed, gender (including gender identity and gender expression), pregnancy (including childbirth, breastfeeding or related medical conditions) religion (including all aspects of religious beliefs, observance or practice, including religious dress or grooming practices), marital status, registered domestic partner status, age, national origin (includes language use and possession of a driver's license issued to persons unable to prove their presence in the United States is authorized under federal law), ancestry, physical or mental disability, medical condition (including cancer and genetic characteristics), sexual orientation, military and veteran status or any other basis protected by federal, state or local law, ordinance or regulation. It also prohibits discrimination based on the perception that anyone has any of these characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, Nadel Inc. will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee, unless undue hardship would result.

Anyone requiring an accommodation in order to perform the essential functions of the job should contact his/her supervisor or HR Representative and discuss the need for an accommodation. The Company will engage in an interactive process with the applicant, unpaid intern or employee to identify possible accommodations, if any, which will help the employee perform the job. If the accommodation is reasonable and will not impose an undue hardship, Nadel Inc. will make the accommodation.

Nadel Inc. is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in Nadel Inc. operations and prohibits discrimination by any employee of Nadel Inc., including supervisors and coworkers.

If you believe you have been subjected to any form of discrimination, submit a complaint to your supervisor and Director of Operations. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. If you need assistance with your complaint, or if you prefer to make a complaint in person, contact the Director of Operations, Greg Palaski. Nadel Inc. will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation.

If Nadel Inc. determines that discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action also will be taken to deter any future discrimination. Nadel Inc. will not retaliate against you for filing a complaint and will not knowingly permit retaliation by management employees or your coworkers.

Discrimination can also include failing to reasonably accommodate religious practices or qualified individuals with disabilities where the accommodation does not pose an undue hardship.

#### ***ANTI-HARASSMENT***

Nadel Inc. is committed to providing a work environment free of harassment or other unprofessional conduct. Nadel Inc. policy prohibits harassment based on race, color, creed, sex (including pregnancy, childbirth, breastfeeding or related medical conditions), gender (including gender identity and gender expression), religion (all aspects of religious beliefs, observance or practice, including religious dress or grooming practices), marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition (including cancer and genetic characteristics), sexual orientation, military and veteran status or any other basis protected by federal, state or local law, ordinance or regulation.

All such harassment is prohibited. Nadel Inc.'s anti-harassment policy applies to all persons involved in the operation of Nadel Inc. and prohibits harassment by any employee of Nadel Inc., including supervisors and managers, as well as vendors, customers, independent contractors and any other persons. It also prohibits harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. Applicants, employees, unpaid interns, volunteers and independent contractors are all protected from harassment.



Prohibited harassment and unprofessional conduct includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of gender, race or any other protected basis;
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors;
- Retaliation for reporting or threatening to report harassment; and
- Communication via electronic media of any type that includes any harassing conduct that is prohibited by state and/or federal law, or by Nadel Inc. policy.

Sexual harassment does not need to be motivated by sexual desire to be unlawful or to violate this policy. For example, hostile acts toward an employee because of his/her gender can amount to sexual harassment, regardless of whether the treatment is motivated by any sexual desire.

If you believe that you have been the subject of harassment or other prohibited conduct, bring your complaint to your supervisor or Director of Operations as soon as possible after the incident. You will be asked to provide details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but this is not mandatory.

Supervisors will refer all harassment complaints to Director of Operations of Nadel Inc. Nadel Inc. will immediately undertake an effective, thorough and objective investigation of the harassment allegations.

If Nadel Inc. determines that harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by Nadel Inc. to be responsible for harassment will be subject to appropriate disciplinary action, up to, and including termination. Your supervisor or Director of Operations will advise all parties concerned of the results of the investigation. Nadel Inc. will not retaliate against you for filing a complaint and will not permit retaliation by management, employees or co-workers.

Nadel Inc. encourages all employees to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved.

# Hiring

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## **EMPLOYMENT ELIGIBILITY**

Nadel Inc. complies with the Immigration Reform and Control Act, employing only those persons who are legally eligible to work in the United States. All employees are asked on their first day of employment to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (INS Form I-9). If an individual cannot verify his/her right to work within three days of hire, Nadel Inc. must terminate his/her employment.

## **NEW HIRES**

The first 60 days of continuous employment at Nadel Inc. is considered an introductory period. During this time you will learn your responsibilities, get acquainted with fellow employees and with Nadel Inc. The effective date of coverage will be the start of the new month following 60 days from the hire date and applies to the employee's employment as full-time employee.

Completion of the introductory period does not entitle you to remain employed by Nadel Inc. for any definite period of time. Your status as an at-will employee does not change - the employment relationship may be terminated with or without cause and with or without advance notice, at any time by you or Nadel Inc.

## **EMPLOYEE CLASSIFICATION**

Employees are classified as either exempt or non-exempt for pay administration purposes, as determined by the federal Fair Labor Standards Act (FLSA) and California's wage and hour laws. The definitions of the worker classification categories can be summarized as follows:

- **Exempt Employees:** Management, supervisory, professional, sales or administrative employees, whose positions meet FLSA standards, are exempt from overtime pay requirements.
- **Non-exempt Employees:** Employees whose positions do not meet the FLSA exemption standards are paid overtime according to state and federal law.
- **Full-Time Employees:** Full-time employees are those who works at least forty (40) hours per week. Following the completion of the introductory period, regularly scheduled full-time employees are eligible for the employee benefits described in this handbook.
- **Part-Time Employees:** Part-time employees are those who works less than a regular thirty two (32) hours per week. Part-time employees are not eligible to participate in Nadel Inc.'s insurance benefits, but are eligible for paid time off on a pro rata basis.

- **Temporary Employees:** Temporary employees are those employed for short-term assignments. Short-term assignments generally will not exceed six (6) months in duration unless specifically extended by a written assignment. Temporary employees are not eligible for employee benefits except those mandated by applicable law.
- **Inactive Status:** Employees who are on any type of leave of absence, work-related or non-work-related, that exceeds any protected state or federal leave of absence will be placed on inactive status and are not eligible to participate in the Nadel Inc. Employee Benefits Program (the name of the program as filed on Form 5500), except as mandated by applicable law.

### ***BRIDGING OF TIME***

Nadel Inc. will give credit to employees previously employed by Nadel Inc., provided the break in service does not exceed 365 days. The break in service time will be deducted from the employee's original service date for purposes of the following:

- Seniority date
- Vacation accrual
- Sick leave accrual
- Retirement

Employees whose break in service is less than 13 weeks will be reinstated into the health benefit plan in which they were enrolled prior to their termination without having to complete the new hire waiting period of 60 days.

### ***JOB DUTIES***

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or Nadel Inc. Your operation and assistance in performing such additional work is expected.

Nadel Inc. reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

# Scheduling & Wages

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## ***WORK SCHEDULES***

Nadel Inc. is normally open for business between the hours of 8:30 a.m. and 5:30 p.m. Monday through Friday. Your supervisor will assign your individual work schedule. All employees are expected to be at their desks or workstations at the start of their scheduled shifts, ready to work.

## ***PAYMENT OF WAGES***

All employees of Nadel Inc. are paid every other Friday for work performed during the previous two-week pay period. If a regular payday falls on a holiday, employees will be paid on the last day worked before the holiday.

## ***AUTOMATIC DEPOSIT***

Nadel Inc. offers automatic payroll deposit for all of its employees. Automatic payroll deposit will begin immediately with the first paycheck. To begin automatic payroll deposit, you must complete a form (available from the payroll department) and return it to payroll at least 10 days before the pay period. You should carefully monitor your payroll deposit statements for the first two pay periods after the service begins.

## ***ADVANCES***

Nadel Inc. does not permit advances against paychecks or against Paid Time Off that has not been accrued.

## ***TIMEKEEPING REQUIREMENTS***

All non-exempt employees are required to use the "In & Out Board" to record time worked for payroll purposes. All time worked must be accurately reported on your time record. Employees must record their own time at the start and at the end of each work period, including before and after the lunch break. Employees also must record their time whenever they leave the building for any reason other than Nadel Inc. business. Employees are not allowed to work "off the clock." Working off the clock violates company policy. Any work performed before or after a regularly scheduled shift must be approved in advance by your supervisor. Any changes on the timecard must be initialed by a supervisor.

## ***PUNCTUALITY AND ATTENDANCE***

As an employee of Nadel Inc., you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized Nadel Inc. business. Late arrival, early departure, or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided. If

you are unable to report for work on any particular day, you must under all but the most extenuating circumstances call your supervisor at least one hour before the time you are scheduled to begin working for that day.

In all cases of absence or tardiness, employees must provide their supervisor with an honest reason or explanation. Employees also must inform their supervisor of the expected duration of any absence. Excessive absenteeism or tardiness, whether excused or not, will not be tolerated.

### ***OVERTIME FOR NON-EXEMPT EMPLOYEES***

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. Nadel Inc. will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor.

Nadel Inc. provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

- In California, all hours worked in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime;
- The workweek begins at 12:01 a.m. Saturday and ends at midnight on Friday;
- Compensation for hours in excess of 40 for the workweek, or in excess of eight and not more than 12 for the workday, and for the first eight hours on the seventh consecutive day of work in one workweek, shall be paid at a rate one and one-half times the employee's regular rate of pay;
- Compensation for hours in excess of 12 in one workday and in excess of eight on the seventh consecutive workday in a workweek shall be paid at double the regular rate of pay.

Exempt employees may also have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

### ***MEAL AND REST PERIODS***

All nonexempt employees are entitled to periodic rest break periods during their workday. If you are a nonexempt employee, you will be paid for all such break periods and you will not clock out. Your supervisor will advise you of the time and duration of your breaks and you are expected to return to work promptly at the end of any rest break.

Generally, you will be entitled to one 10-minute rest break for every four hours you work. If you work more than six hours and up to 10 hours in a workday, you will receive one rest break during the first half

of your shift and one rest break during the second half of your shift. If you work more than 10 hours and up to 14 hours, you will be entitled to an additional paid 10-minute rest break.

If you work more than five hours in a workday, you are also entitled to an unpaid meal period of at least 30 minutes. If you work more than 10 hours, you are entitled to a second, unpaid meal period of at least 30 minutes. Depending on the circumstances, you may be able to waive your second meal period if you took the first one.

You must clock out for your meal period. Your supervisor will advise you of the scheduling of your meal period. You must not perform any work during your meal period, and you must stop working for at least 30 full, consecutive minutes. All rest breaks and meal periods must be taken away from the regular work area. You may leave the premises for your meal periods. If for any reason you do not take the applicable rest breaks and/or meal periods, you must notify your supervisor immediately.

### ***REPORTING TIME PAY***

Nadel Inc. will comply with all applicable regulations regarding reporting time pay for non-exempt employees. Nadel Inc. will pay a minimum of two hours of pay to employees who are required to report to work on a day other than their normally scheduled workday.

Nadel Inc. will not pay employees for reporting under the following circumstances:

- Interruption of work because of the failure of any or all public utilities; or
- Interruption of work because of natural causes or other circumstances beyond the Nadel Inc.'s power to control.

### ***PAY FOR MANDATORY MEETINGS/TRAINING***

Nadel Inc. will pay non-exempt employees for their attendance at mandatory meetings, lectures, and training programs that are related to an employee's job under the following conditions:

- The employee who is required to attend such meetings, lectures, or training programs will be notified of the necessity for such attendance by his or her supervisor;
- Employees who do perform productive work during attendance at meetings, lectures or training programs will be compensated at their regular rate of pay; and
- Any hours in excess of eight in a day or 40 in a week will be paid at the appropriate overtime rate, at the hourly rate in effect at the time the overtime work is being performed.

### ***LACTATION POLICY***

Nadel Inc. accommodates lactating employees by providing a reasonable amount of break time to any employee who desires to express breast milk for an infant child. The break time shall, if possible, run concurrently with any break time already provided to the employee. Any break time provided to express

breast milk that does not run concurrently with break time already provided to the employee shall be unpaid.

Nadel Inc. will make reasonable efforts to provide employees who need a lactation accommodation with the use of a room or other private location that is located close to the employee's work area. Employees with private offices will be required to use their offices to express breast milk. Employees who desire lactation accommodations should contact their supervisor or Director of Operations to request accommodations.

### ***REFERRAL PROGRAM***

Nadel Inc. believes that our employees are our best source of candidates with proven track records and demonstrated skills, capabilities and commitment to the field of Architecture and its supporting functions. If you personally bring someone in to interview and they are hired by Nadel Inc., you will receive an Incentive Compensation in the amount of \$500 and will be paid to you under the following terms and schedule:

- To be eligible for the referral program, you must be a full time regular Nadel Inc. employee.
- You must be employed by Nadel Inc. at the time the Incentive Compensation is due and payable.
- Board of Directors may make referrals but they will not be eligible to collect Incentive Compensation.
- Incentive Compensation will be paid following the recruit's hire and successful completion of 90 days of continuous employment without a break in service and in satisfactory employment status,
- The hired individual must be a full time employee, not a temporary employee.
- The applicant must write the referring employee's name on the employment application should the applicant be invited for an interview.
- The Incentive Compensation will be included in the employee's paycheck following completion of the stipulated period.
- The Incentive Compensation is subject to all applicable Federal and State Income Taxes.

### ***EXPENSE ACCOUNTS***

Nadel Inc. reimburses employees for business expenses. Employees who have expense accounts or who have incurred business expenses must submit required receipts and the Nadel Inc.'s Expense Report Form to accounting no later than the Friday prior to every payday.

# Management Practices

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## ***CUSTOMER RELATIONS***

Employees are expected to be polite, courteous, prompt, and attentive to every customer. When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, the Director of Operations should be called immediately. Ours is a service business and all of us must remember that the customer always comes first. Our customers ultimately pay all of our wages. Remember, while the customer is not always right, ***the customer is never wrong***.

Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person or by telephone, promptly and professionally. Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business. Never argue with a customer. If a problem develops or if a customer remains dissatisfied, ask your supervisor or the Director of Operations to intervene.

## ***BUSINESS CONDUCT AND ETHICS***

No employee may accept a gratuity or other compensation from any customer, vendor, supplier, or other person doing business with Nadel Inc. because doing so may give the appearance of influencing business decisions, transactions or service. Please discuss expenses paid by such persons for business meals or trips with Nadel Inc. in advance.

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets and other modest presents that commemorate a special occasion.
- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Tangible gifts (including tickets to a sporting or entertainment event) that have a market value greater than \$100 may not be accepted unless approval is obtained from management. Employees with questions about accepting business courtesies should talk to their managers or the Director of Operations.

## ***NONDISCLOSURE OR USE OF TRADE SECRETS***

During the term of employment with Nadel Inc., employees may have access to and become familiar with information of a confidential, proprietary, or secret nature, which is or may be either applicable or related to the present or future business of Nadel Inc., its research and development, or the business of its customers.



For example, trade secret information includes, but is not limited to, devices, inventions, processes and compilations of information, records, specifications, and information concerning customers or vendors. Employees shall not disclose any of the above-mentioned trade secrets, directly or indirectly, or use them in any way, either during the term of their employment or at any time thereafter, except as required in the course of employment with Nadel Inc.

Please refer to your Nondisclosure Agreement for more detailed terms.

### ***ROMANTIC CONFLICTS OF INTEREST***

All employees must avoid situations involving actual or potential conflict of interest. Personal or romantic involvement with a competitor, supplier, or subordinate employee of Nadel Inc., which impairs an employee's ability to exercise good judgment on behalf of Nadel Inc., creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems.

All supervisor-subordinate romantic relationships must be reported to the Director of Operations. Failure to report such a relationship will result in disciplinary action.

### ***EMPLOYMENT OF RELATIVES***

Relatives of employees may be eligible for employment with Nadel Inc. only if individuals involved do not work in a direct supervisory relationship, or in job positions in which a conflict of interest could arise. Nadel Inc. defines "relatives" as spouses, partners, children, siblings, parents, in-laws, and step-relatives. Present employees who marry or become domestic partners will be permitted to continue working in the job position held only if they do not work in a direct supervisory relationship with one another or in job positions involving conflict of interest.

### ***OTHER EMPLOYMENT***

While employed by Nadel Inc., employees are expected to devote their energies to their jobs with the company. The following types of employment elsewhere are strictly prohibited:

- Additional employment that conflicts with an employee's work schedule, duties, and responsibilities;
- Additional employment that creates a conflict of interest or is incompatible with the employee's position with Nadel Inc.;
- Additional employment that impairs or has a detrimental effect on the employee's work performance with Nadel Inc.;
- Additional employment that requires the employee to conduct work or related activities on Nadel Inc. property during the employer's working hours or using Nadel Inc. facilities and/or equipment; and
- Additional employment that directly or indirectly competes with the business or the interests of Nadel Inc..

Employees who wish to engage in additional employment that may create a real or apparent conflict of interest must submit a written request to the Director of Operations explaining the details of the additional employment. If the additional employment is authorized, Nadel Inc. assumes no responsibility for it. Nadel Inc. shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time.

### ***POLITICAL ACTIVITY***

Many employees participate in political activities on their own time. Company time, facilities, property or equipment (including all computers, networks, and electronic equipment) must not be used for an employee's outside political activities. Nadel Inc. will not reimburse any employee for political contributions, and employees should not attempt to receive or facilitate such reimbursements.

Absent a formal statement by Nadel Inc. announcing any political endorsements, employees must not, through their own actions, speech, contributions, or written communication, mislead others to believe that Nadel Inc. officially endorses or opposes any candidates for political office that Nadel Inc. itself has not publicly announced. Company employees are entitled to their own position.

The Company will not discriminate against employees based on their lawful political activity engaged in outside of work.

### ***PROBLEM RESOLUTION***

Suggestions for improving Nadel Inc. are always welcome. At some time, you may have a complaint, suggestion, or question about your job, your working conditions, or the treatment you are receiving. Your good-faith complaints, questions, and suggestions also are of concern to Nadel Inc. We ask you to first discuss your concerns with your supervisor, following these steps:

- Within a week of the occurrence, bring the situation to the attention of your immediate supervisor, who will then investigate and provide a solution or explanation.
- If the problem persists, you may describe it in writing and present it to the Director of Operations, who will investigate and provide a solution or explanation. If you need assistance with your complaint, or you prefer to make a complaint in person, contact the Director of Operations. We encourage you to bring the matter to the Director of Operations as soon as possible after you believe that your immediate supervisor has failed to resolve it.
- If the problem is not resolved, you may present the problem in writing to the President/CEO of Nadel Inc., who will attempt to reach a final resolution. If you need assistance with the written complaint, contact the Director of Operations for help.

This procedure, which we believe is important for both you and Nadel Inc., cannot guarantee that every problem will be resolved to your satisfaction. However, Nadel Inc. values your observations and you should feel free to raise issues of concern, in good faith, without the fear of retaliation.

### ***PERFORMANCE EVALUATIONS***

Each employee will receive annual performance reviews conducted by his or her supervisor. Your first performance evaluation will take place after completion of your introductory period. Subsequent performance evaluations will be conducted annually every August of the year.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of Nadel Inc. and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with your supervisor, and that you are aware of its contents.

### ***HUMAN RESOURCE RECORDS***

You have a right to inspect and receive a copy of the employment records that Nadel Inc. maintains relating to your performance or any grievance procedure. Contact your supervisor or Director of Operations to make a request to review your employment records.

You may designate a representative to conduct the inspection of the records or receive a copy of the records. However, any designated representative must be authorized by you, in writing, to inspect or receive a copy of the records. Nadel Inc. may take reasonable steps to verify the identity of any representative you have designated.

The employment records may be made available to you either at the place where you work or at a mutually agreeable location (with no loss of compensation for going to that location to inspect or copy the records). The records will be made available no later than 30 calendar days from the date Nadel Inc. receives your written request to inspect or copy your employment records (unless you/your representative and Nadel Inc. mutually agree in writing to a date beyond 30 calendar days but no later than 35 calendar days from receipt of the written request).

If you request a copy of the contents of your file, you will be charged the actual cost of copying the records.

Nadel Inc. will restrict disclosure of your employment file to authorized individuals within Nadel Inc. Any request for information contained in the employment files must be directed to the Director of Operations. Only the Director of Operations is authorized to release information about current or former employees. Disclosure of employment information to outside sources will be limited. However, Nadel Inc. will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

### ***NAMES AND ADDRESSES***

Nadel Inc. is required by law to keep current all employees' names and addresses. Employees are responsible for notifying Nadel Inc. in the event of a name or address change.

### ***PERSONAL HEALTH INFORMATION***

It is the policy of Nadel Inc. to not maintain the personal health information of its employees or use any such information for employment decisions. As the Sponsor of the Nadel Inc. Health Plans, however, Nadel Inc. is required to maintain summary health information such as age, gender, home zip code and enrollment status for the purposes of administering the Plans. Nadel Inc. is required by law to protect the privacy of this information and as such Nadel Inc. complies with all Federal and State privacy laws.

### ***EMPLOYEE PROPERTY***

An employee's personal property, including but not limited to packages, purses, and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of Nadel Inc. property.

### ***DRESS CODE AND OTHER PERSONAL STANDARDS***

Because each employee is a representative of Nadel Inc. in the eyes of the public, each employee must report to work properly groomed and wearing appropriate clothing. Employees are expected to dress neatly and in a manner consistent with the nature of the work performed. Employees who report to work inappropriately dressed may be asked to clock out and return in acceptable attire. Nadel Inc. observes a casual dress day on Fridays. Some employees who have customer contact may not be permitted to participate in the casual dress day.

Employees who need a reasonable accommodation in the way that they dress because of religious beliefs, observances or practices should contact the Director of Operations and discuss the need for accommodation.

### ***FRAGRANCE POLICY***

Due to the sensitivity of many, we strive to maintain a fragrance-free workplace. Employees may not wear any of the following in the workplace or when on the job, regardless of location, if they may come in contact with customers or coworkers: cologne, after shave lotion, perfume, perfumed hand lotion, fragranced hair products, fragranced deodorants and/or similar products.

### ***PROHIBITED CONDUCT***

The following conduct is prohibited and will not be tolerated by Nadel Inc. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and Nadel Inc. operations also may be prohibited and will result in disciplinary action up to and including termination.

- Falsifying employment records, employment information, or other Nadel Inc. records;
- Inefficient or careless performance of job responsibilities or inability to perform job duties satisfactorily;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;

- Theft and deliberate or careless damage or destruction of any Nadel Inc. property, or the property of any employee or customer;
- Removing or borrowing Company property without prior authorization;
- Unauthorized use of Nadel Inc. equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on Nadel Inc. property;
- Participating in horseplay or practical jokes on Company time or on Company premises;
- Carrying firearms or any other dangerous weapons on Nadel Inc. premises at any time;
- Engaging in illegal conduct of any kind;
- Causing, creating, or participating in a disruption of any kind during working hours on Company property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive language at any time on Nadel Inc. premises;
- Failing to notify a supervisor when unable to report to work;
- Unreported absence of 3 days. Absences protected by state or federal law do not count as violations of this policy.
- Failing to obtain permission to leave work for any reason during normal working hours;
- Failing to observe working schedules, including rest and lunch periods;
- Failing to provide a physician's certificate when requested or required to do so;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, of more than three minutes in duration during working hours, except in cases of emergency or extreme circumstances;
- Working overtime without authorization or refusing to work assigned overtime;
- Violation of dress standards;
- Violating any safety, health, security or Nadel Inc. policy, rule, or procedure;
- Committing a fraudulent act or a breach of trust under any circumstances;
- Committing of or involvement in any act of harassment of another individual; and
- Failing to promptly report work-related injury or illness.

This statement of prohibited conduct does not alter Nadel Inc.'s policy of at-will employment. Either you or Nadel Inc. remains free to terminate the employment relationship at any time, with or without reason or advance notice.

### ***OFF-DUTY CONDUCT***

While Nadel Inc. does not seek to interfere with the off-duty and personal conduct of its employees, certain types of off-duty conduct may interfere with Nadel Inc.'s legitimate business interests. For this reason, employees are expected to conduct their personal affairs in a manner that does not adversely affect Nadel Inc.'s or their own integrity, reputation or credibility. Illegal or inappropriate off-duty conduct by an employee that adversely affects Nadel Inc.'s legitimate business interests or the employee's ability to perform his or her job will not be tolerated.

### ***DRUG AND ALCOHOL ABUSE***

At Nadel Inc., we recognize alcohol and drug abuse as potential health, safety and security problems. It is expected that all employees will assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances.

Employees are prohibited from the following when reporting for work, while on the job, on Company or customer premises or surrounding areas, or in any vehicle used for Company business:

- The unlawful use, possession, transportation, manufacture, sale, dispensation or other distribution of an illegal or controlled substance or drug paraphernalia;
- The unauthorized use, possession, transportation, manufacture, sale, dispensation or other distribution of alcohol; and
- Being under the influence of alcohol or having a detectable amount of an illegal or controlled substance in the blood or urine ("controlled substance" means a drug or other substance as defined in applicable federal laws on drug abuse prevention); and
- The use of prescription drugs and/or over-the-counter drugs that may affect an employee's job performance and may seriously impair the employee's value to the Company.

Any employee violating these prohibitions will be subject to disciplinary action up to and including termination.

Any employee convicted under any criminal drug statute for a violation occurring while on the job, on Company or customer premises, or in any vehicle used for Company business must notify the Company no later than five days after such a conviction. A conviction includes any finding of guilt or plea of no contest and/or imposition of a fine, jail sentence or other penalty.

Drug and alcohol testing will be carried out in compliance with any applicable state and federal laws and regulations.

Disciplinary action will be taken for drug-related crimes, regardless of whether they happened during working hours or on an employee's own time.

We recognize that employees suffering from alcohol or drug dependence can be treated. We encourage any employee to seek professional care and counseling prior to any violation of this policy. Nadel Inc. will encourage and reasonably accommodate employees with alcohol or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. Nadel Inc. is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is Nadel Inc. obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency.

Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect Nadel Inc.'s treatment of employees who violate the regulations described previously. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

#### ***NEWS MEDIA CONTACTS***

Employees may be approached for interviews or comments by the news media. Only contact people designated by the President/CEO may comment to news reporters on Nadel Inc. policy or events relevant to Nadel Inc.

#### ***ELECTRONIC COMMUNICATIONS***

Nadel Inc. maintains a voice mail system, an email system, stationary and transitory computers, hand-held devices (including but not limited to smart phones and other electronic tablets and cell phones), and list any other company-owned items to assist in conducting the business of Nadel Inc. Computers, computer files, the email system, and software furnished to employees are the property of Nadel Inc. and are intended for business use. These systems, including hardware, software, servers, equipment and the data stored in the system, are and remain at all times, the property of Nadel Inc. whether such systems are accessible by your personal cell phone or located in your home, at a remote location or in an office.

As such, all messages created, sent, received or stored in the system, as well as all information and materials downloaded to Nadel Inc. computers, are and remain, the property of Nadel Inc. All Nadel Inc. information systems will be subject to monitoring and auditing at all times. Nadel Inc. employees should have **no expectation of privacy** with regard to their activity on Nadel Inc.'s information systems. Nadel Inc. reserves the right to inspect all Company property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Even when a message is deleted or erased, it is still possible to retrieve the message.

Employee passwords may be used for purposes of security but the use of a password does not affect the Company's ownership of the electronic information or ability to monitor the information. The Company may override an employee's password for any reason.

Use of any Nadel Inc. information systems or dissemination of information in a manner bringing disrepute, damage, or ill-will against Nadel Inc. will be considered a misuse and could result in disciplinary action, up to and including termination of employment. Any attempt to circumvent Nadel Inc.'s security procedures is strictly prohibited. Unauthorized use, destruction, modification, and/or distribution of Nadel Inc. information or information systems are strictly prohibited.

### **Internet Usage**

Internet usage is provided to Nadel Inc. employees to conduct work-related business. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect a user's performance of employment related activities.

### **Email & Voicemail Usage**

Email and Voicemail accounts are provided to Nadel Inc. employees to conduct work-related business. While this resource is to be used primarily for business, Nadel Inc. realizes that employees may occasionally use this privilege for personal matters, and therefore permits limited personal email. All employees are encouraged to obtain a personal email account to conduct personal business. The following companies offer free email accounts such as yahoo.com, gmail.com, outlook.com, etc.

All email and voicemail messages on the Nadel Inc. information systems, including those of a personal nature, are the property of Nadel Inc. As such, all messages can and may be periodically monitored. Employees of Nadel Inc. are required to demonstrate professionalism in all communications, including email, instant messaging, texting and voicemail.

Outgoing and incoming email or voicemail of an offensive, pornographic, or otherwise inappropriate nature is prohibited. Violations of this may result in disciplinary action, up to and including termination of employment.

### **Software Downloads**

The downloading of software from the Internet should be done with caution because of the significant risk of infecting Nadel Inc. systems with a virus and the unreliability of such downloaded software.

If legitimate software is required, please check with IT before making such a download. All Nadel Inc.'s information systems will be subject to periodic inventory and inspection to check for the presence of threats and if it is determined that any unnecessary and unreliable software was downloaded, you may be asked to remove it. Employees learning of any misuse of the voice mail or electronic mail system, or the Internet, or violation of this policy should notify IT immediately.



## ***SOCIAL NETWORKING***

Nadel Inc. is committed to maintaining a good relationship with its employees and with the outside world. If Nadel Inc. sustains a positive reputation and excellent image in the public eye, it directly benefits Nadel Inc. as a whole in addition to putting you in an advantageous situation as an employee.

The way the public views Nadel Inc. is vital to promoting business, gaining new business, retaining first-class employees, recruiting new employees and marketing our products and services.

While Nadel Inc. has no intentions of controlling employees' actions outside of work, it is important that employees practice caution and use discretion when posting content on the Internet, especially on social networking sites that could affect Nadel Inc.'s business operations or reputation.

Having your own, individual social networking account and using it on your own time is certainly permissible. However, keep in mind that some actions on your personal site are visible for the entire social networking community and are no longer private matters. While Nadel Inc. will not be continuously monitoring employees' personal conduct on social networking sites, and will not require disclosure of passwords, information, or request access, you should assume that anything posted on your personal social networking profile could potentially be seen by anyone at Nadel Inc. It is for your own security and defense that you follow these guidelines:

- Do not use blogging or social networking sites that are not designed for business purposes, to talk about Nadel Inc. business on your personal account, even on your own time. Do not post anything you would not want your manager/supervisor to see.
- Do not use Nadel Inc. name, logo, address or other information in your personal profile. This is for your physical safety, as well the safety of everyone else at Nadel Inc., and the protection of Nadel Inc.'s brand.
- Do not post any pictures or comments involving Nadel Inc. or other Nadel Inc. employees that could be construed as inappropriate.
- You are responsible for what other users post on your individual social networking profile. Do not allow inappropriate or sensitive information regarding Nadel Inc. anywhere on your profile, even if it is generated by a different user.
- If the personal profile is visible to other employees at Nadel Inc., supervisors, managers or peers, practice caution. You have control over yourself, but not over these employees, and just one inappropriate picture or comment taken out of context could fall into the wrong hands and cost you your job.

Nothing in the Company's social networking policy is designed to interfere with, restrain or prevent employee communications regarding wages, hours or other terms and conditions of employment.

## ***BLOGGING***

Blogging has become a popular activity on the Internet and you may now or in the future decide to start a blog. Nadel Inc. takes no position on your decision to start or maintain a blog. You are, however, prohibited from "blogging" on work time or during working hours unless it is a specified part of your job duties.

Likewise, you may not use Nadel Inc. computers (or other Nadel Inc. provided devices) to blog. You are also subject to Nadel Inc.'s discipline policy for any blog posting that discusses, directly or indirectly, Nadel Inc., its business or its managers, employees or former employees. That is true for both current Nadel Inc. activities or those planned or being discussed.

The actual content of the posting is irrelevant. That is, it does not matter if the posting is positive or negative. Unless specifically instructed, you are not authorized to speak on behalf of Nadel Inc. and, therefore, must not do so.

Nothing in the Company's social media policy is designed to interfere with, restrain or prevent employee communications regarding wages, hours or other terms and conditions of employment.

## ***VOLUNTARY RESIGNATION***

Voluntary resignation results when an employee voluntarily quits his or her employment at Nadel Inc., or fails to report to work for three consecutively scheduled workdays without notice to, or approval by, his or her supervisor (unless the absence is protected by law). All owned property, including vehicles, keys, uniforms, identification badges, and credit cards, must be returned immediately upon termination of employment.

## ***DISCIPLINARY ACTIONS***

The Discipline Policy applies to all employees who have completed their introductory period. This policy pertains to matters of conduct as well as the employee's competence. However, the employee who does not display satisfactory performance and accomplishment on the job may be dismissed, in certain cases, without resorting to the steps set forth in this Handbook. Unacceptable behavior which does not lead to immediate dismissal may be dealt with in the following manner:

- Oral Reminder
- Written Warning
- Second Written Warning
- Dismissal

All disciplinary action must be documented, but at the Oral Reminder stage the documentation can be fairly informal. The supervisor will write a summary of the "reminder" and give a copy of this summary to the employee with a copy in the employment file.

Written warnings will include the reasons for the supervisor's dissatisfaction and any supporting evidence. The employee will have an opportunity to defend his/her actions and rebut the opinion of his/her supervisor at the time the warning is issued. Disciplinary actions may include suspensions, acceleration of the normal sequence of warnings or other measures deemed appropriate to the circumstances.

#### ***DISMISSAL***

Employment and compensation with Nadel Inc. is "at will" in that the employees can be terminated with or without cause, and with or without notice, at any time, at the option of either Nadel Inc. or the employee, except as otherwise provided by law.

#### ***EMPLOYEE REFERENCES***

All requests for references must be directed to the Director of Operations. No other manager, supervisor, or employee is authorized to release references for current or former employees.

By policy, Nadel Inc. discloses only the dates of employment and the title of the last position held of former employees. If you authorize the disclosure in writing, Nadel Inc. also will inform prospective employers of the amount of salary or wage you last earned.

#### ***NO SOLICITATION OF CUSTOMERS OR EMPLOYEES***

Customer lists of Nadel Inc. are considered a trade secret and are solely the property of the Nadel Inc. Former employees of Nadel Inc. are forbidden from directly or indirectly soliciting business as to products or services competitive with those of Nadel Inc. based on information from customer lists obtained while an employee of Nadel Inc.

## **Benefits and Time Off**

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#### ***HEALTHCARE & INCOME PROTECTION BENEFITS***

Nadel Inc. provides comprehensive healthcare and income protection benefits for eligible employees and their dependents. Benefit eligibility may be dependent upon your employee classification (full-time versus part-time, for example) and on length of continuous employment at Nadel Inc. Benefit eligibility requirements may also be imposed by the plans themselves.

Upon becoming eligible for certain insurance plans, you will receive Summary Plan Descriptions which describe the benefits in greater detail. For information regarding employee benefits and to answer any questions you may have contact Human Resources.

All documents relating to Nadel Inc. Employee Benefits Program, including the Summary Plan Descriptions, HIPAA Privacy Notice, Initial COBRA Notice and any other relevant Plan Documents or Notices, are available electronically through Nadel Inc. Benefits Web Site at My Nadel intranet.

Employees may also receive a paper copy of any of the above documents free of charge by contacting the Employee Benefits Administrator, who handles benefit plan issues for Nadel Inc.

The Company reserves the right to modify, amend or terminate benefits and to modify or amend benefit eligibility requirements at any time and for any reason, subject to any legal restrictions. In general, however, changes to Nadel Inc. Employee Benefits Program will be announced during our open enrollment in August of each year.

### ***INSURANCE BENEFITS ELIGIBILITY***

**Full-Time Employees:** Eligible full-time employees, working at least 40 hours per week, whether exempt or non-exempt, will be able to enroll in the Nadel Inc. Employee Benefits Program. The effective date of coverage for insurance plans will be the start of the new month following 60 days from the hire date and applies to the employee's employment as full-time employee. The following are the employee benefits:

- Paid time off
- Insurance benefits (Medical, Dental, Vision)

All employees that are on an approved leave of absence (PDL, FMLA, CFRA or Jury Duty) maintain their benefits eligibility for the period required under the guidelines of state and/or federal law. Unpaid hours due to a protected leave will be excluded from full-time calculations for the purposes of determining benefits eligibility.

**Part-Time Employees:** Part-time employees, working 32 hours per week, are not eligible to participate in Nadel Inc.'s insurance benefits, but are eligible for paid time off on a pro rata basis.

### ***OTHER INSURANCE BENEFITS***

#### **Unemployment Compensation**

Nadel Inc. contributes to the California Unemployment Insurance Fund on behalf of its employees.

#### **Social Security**

Social Security is an important part of every employee's retirement benefit. Nadel Inc. pays a matching contribution to each employee's Social Security taxes.

### ***WORKERS' COMPENSATION***

Nadel Inc., in accordance with state law, provides insurance coverage for employees in case of work-related injury. The workers' compensation benefits provided to injured employees may include:

- Medical care
- Wage replacement benefits, tax free, to replace lost wages
- Assistance to help qualified injured employees return to suitable employment

To ensure that you receive any workers' compensation benefits to which you may be entitled, you will need to:

- Immediately report any work-related injury to your Supervisor and/or Director of Operations
- Seek medical treatment and follow-up care if required
- Complete a written Employee's Claim for Workers Compensation Benefits (DWC Form 1) and return it to the supervisor and/or Director of Operations
- Provide Nadel Inc. with a certification from your health care provider regarding the need for workers' compensation disability leaves, as well as your eventual ability to return to work from the leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to his or her same position held at the time the leave began, or to an equivalent position, if available. An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave.

An employee's return depends on his or her qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of his or her job because of a physical or mental disability, Nadel Inc.'s obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act.

#### **Company-Provided Physician**

Nadel Inc. provides medical treatment for work-related injuries through a medical provider network, Saint John Health Center located at 1328 Twenty Second Street, Santa Monica CA 90404 which Nadel Inc. has chosen to provide medical care to injured employees because of their experience in treating work-related injuries. The law requires Nadel Inc. to notify the workers' compensation insurance company of any concerns of false or fraudulent claims.

#### **Workers' Compensation and FMLA/CFRA**

Employees who are ill or injured as a result of a work-related incident, and who are eligible for family and medical leave under state and federal law (Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA)), will be placed on FMLA/CFRA during the time they are disabled and not released to return to work. The leave under these laws runs concurrently, and eligible employees will be on FMLA/CFRA for a maximum of 12 weeks in a 12-month period.

## **Retirement Plan**

Nadel Inc. provides a 401k plan for eligible employees in order to assist in planning for their retirement. For information regarding eligibility, contributions, benefits, and tax status, contact the Employee Benefits Administrator. All eligible participants will receive a summary plan description.

### ***HOLIDAYS***

Nadel Inc. generally observes the following paid holidays:

- New Year's Day – January 1
- Presidents' Day – 3<sup>rd</sup> Monday in February
- Memorial Day – 4<sup>th</sup> Monday in May
- July 4th (Independence Day)
- Labor Day – 1<sup>st</sup> Monday in September
- Thanksgiving Day – 4<sup>th</sup> Thursday in November
- Friday after Thanksgiving Day
- Christmas Eve – Afternoon of December 24
- Christmas Day – December 25

When a holiday falls on a Saturday or Sunday, it is usually observed on the preceding Friday or the following Monday. Eligibility for holiday pay begins after completion of an employee's introductory period.

### ***PAID TIME OFF***

Nadel Inc. believes that it is important for employees to have regular periods of rest and relaxation away from the workplace, and also recognizes that illness and the need for routine health care occasionally prevent employees from being able to perform their duties. For these reasons, the Company permits employees to accrue paid time off in order to supplement their time away from work.

Employees become eligible to use accrued paid time off any time after the employee's first day of employment. Employees may use accrued paid time off for vacation, sick time, bereavement, jury duty or any other type of paid time off. Employees taking time off for their own illness, scheduled physician visits, or dental appointments or those appointments as they relate to a family member should schedule this time off with his/her supervisor in advance when possible. Any unforeseen time off due to illness should be communicated to his/her supervisor as soon as practical. Requests to use time off for personal reasons or vacation purposes should be scheduled in advance with his/her supervisor.

Paid time off will be accrued on the following basis:

Accrual Schedule for full-time employees:

0 – 60 months – 16 working days  
61 – 180 months – 21 working days  
More than 181 months – 26 working days  
Board of Directors – extra 2 working days

Part-time employees working 24 hours or more a week will received pro-rata portion of Paid-Time-Off hours. Part-time employees working less than 24 hours a week are not entitled to Paid Time Off benefits.

Paid time off can accrue up to 1.5 times the maximum of days of their annual PTO allowance. Once the maximum allowance is reached, no further paid time off will accrue until some paid time off is used. An employee may not use paid time off before its accrual. Employees will not be paid for any time in excess of accrued paid time off.

An employee whose employment terminates will be paid for accrued, unused paid time off. Employees on unpaid leave do not accrue paid time off.

**Required Use of Paid Time Off (PTO) before Unpaid Leave**

You are required to take accrued and unused PTO before taking unpaid leave or having unpaid absences. Family and Medical Leave (under both state and federal law) are included in this requirement, unless you are receiving wage replacement through a disability leave plan, and/or your leave is for a pregnancy-related disability.

- Employees who are absent because of their own disability may be eligible for State Disability Insurance (SDI) benefits. SDI payments do not begin until after you have been absent from work for 7 calendar days. If you have accrued PTO, it will be used for the first 7 days before SDI payments begin unless you are receiving wage replacement through another disability leave plan and the absence is covered by federal family and medical leave.
- SDI benefits do not replace all of your usual wages. You may choose to supplement your SDI benefits with PTO.
- If you are not eligible for FMLA, you must supplement your SDI benefits with accrued PTO.
- If you are absent for a reason that qualifies you for Paid Family Leave (PFL) payments, you must use PTO during the first two weeks of absence.
- PFL benefits do not replace all of your usual wages. Your PFL benefits must be/can be supplemented with any accrued and unused PTO.

The above Paid Time Off policy is inclusive of the time off provided to employees under California's Healthy Workplaces, Healthy Families Act of 2014.

**Abuse of Sick Leave**

Regular attendance is crucial to the success of this and any other business. Paid sick leave is provided as a financial buffer for employees who are too injured or ill to work or those who are dealing with the illness or injury of a family member, not as additional time off for employees who are well. Abuse of sick leave is grounds for discipline, up to and including termination.

**Extended Leave**

Employees who have used up their available paid time off and remain unable to report for work may be eligible for unpaid family and medical leave (FMLA leave). Eligibility for health care benefits continues during FMLA leave.

For more information on FMLA leave, please see the Family/Medical Leave policy in this handbook.

**Paid Sick Leave and Workers' Compensation Benefits**

Paid sick leave is a benefit that also covers absences for work-related illness or injury. Employees who have a work-related illness or injury are covered by workers' compensation insurance. However, workers' compensation benefits usually do not cover absences for medical treatment. When you report a work-related illness or injury, you will be sent for medical treatment, if treatment is necessary. You will be paid your regular wages for the time you spend seeking initial medical treatment, but not ongoing medical treatment.

Any absences from work for follow-up treatment, physical therapy or other prescribed appointments will not be paid as time worked. If you have accrued and unused sick leave, the additional absences from work may be paid with the use of sick leave. If you do not have accrued, paid sick leave, or if you have used all of your sick leave, you may choose to substitute vacation/paid time off for further absences from work, related to your illness or injury.

***FAMILY/MEDICAL LEAVE***

The federal Family and Medical Leave Act (FMLA) and California's Family Rights Act (CFRA) were created to protect employees' rights to job protection and continued benefits for up to 12 workweeks of unpaid family/medical leave within a 12-month period, under the following conditions:

- The employee has more than 12 months of service. If the leave is for FMLA only, the 12 months of service must have accumulated within the previous seven years. There is no such cap under CFRA;
- The employee has worked at least 1,250 hours during the previous 12-month period before the need for leave; and
- The employee is employed at a work site where there are 50 or more employees within a 75 mile radius.



Leave may be taken for one or more of the following reasons:

- The birth of the employee's child, or placement of a child with the employee for adoption or foster care (FMLA/CFRA);
- For incapacity due to pregnancy, prenatal medical care or child birth (FMLA only);
- To care for the employee's spouse, child, or parent who has a serious health condition (FMLA/CFRA);
- To care for the employee's registered domestic partner (CFRA only);
- For a serious health condition that makes the employee unable to perform his or her job (FMLA/CFRA)

#### **Military Family Leave Entitlements**

- Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.
- Eligible employees may also take a special leave entitlement of up to 26 weeks of leave to care for a covered service member during a single 12-month period. (FMLA/CFRA for 12 weeks if the care provider is eligible for both, followed by 14 weeks of (FMLA only), or 26 weeks of FMLA only if leave is not CFRA covered leave). A covered service member is either:
- 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
- A veteran who was discharged or released under conditions other than dishonorable at any time during the five-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."

### **Calculating the 12-month Period**

For purposes of calculating the 12-month period during which 12 weeks of FMLA or qualifying exigency leaves may be taken, Nadel Inc. uses a rolling 12-month period. Under most circumstances, leave under federal and state law will run at the same time and the eligible employee will be entitled to a total of 12 weeks of family and medical leave in the designated 12-month period.

For leave to care for a covered service member, the 12-month period begins on the first day of the leave, regardless of how the 12-month period is calculated for other leaves. Leave to care for a covered service member is for a maximum of 26 workweeks during a 12-month period.

### **Leave Procedures**

Employees must contact the Employee Benefits Administrator as soon as the employee realizes the need for family/medical leave. If the leave is based on the expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or a family member of the employee. Nadel Inc. must be notified at least 30 days before leave is to begin. Employees must consult with their supervisor regarding scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of Nadel Inc.

Any such scheduling is subject to the approval of the employee's health care provider or the health care provider of the employee's child, parent, spouse or registered domestic partner. If 30 days' notice cannot be provided, Nadel Inc. must be informed as soon as is practical.

If an employee cites his/her own serious health condition as a reason for leave, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition; and
- Inability of the employee to work at all or perform any one or more of the essential functions of his/her position because of the serious health condition.

If the Family and Medical Leave Act/California Family Rights Act request is made because of the employee's own serious health condition, Nadel Inc. may require, at its expense, a second opinion from a health care provider that Nadel Inc. chooses. The health care provider designated to give a second opinion will not be one who is employed on a regular basis by Nadel Inc.

If the second opinion differs from the first opinion, Nadel Inc. may require, at its expense, the employee to obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee. The opinion of the third health care provider shall be considered final and binding on Nadel Inc. and the employee.

Nadel Inc. requires the employee to provide certification within 15 days of any request for family and medical leave under state and federal law, unless it is not practicable to do so. Nadel Inc. may require recertification from the health care provider if additional leave is required. (For example, if an employee needs two weeks of family and medical leave, but following the two weeks needs intermittent leave, a new medical certification will be requested and required.)

Nadel Inc. will require certification by the employee's health care provider that the employee is fit to return to his or her job. Failure to provide certification by the health care provider of the employee's fitness to return to work will result in denial of reinstatement for the employee until the certificate is obtained.

If the employee does not provide medical certification in a timely manner to substantiate the need for family and medical leave, Nadel Inc. may delay approval of the leave, or continuation thereof, until certification is received. If certification is never received, the leave may not be considered family and medical leave.

#### **Leave to Care for a Family Member**

If the leave is needed to care for a sick child, spouse, partner, or parent, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition;
- Estimated amount of time for care by the health care provider; and
- Confirmation that the serious health condition warrants the participation of the employee.

When both parents are employed by Nadel Inc., and request simultaneous leave for the birth or placement for adoption or foster care of a child, Nadel Inc. will not grant more than a total of 12 workweeks family/medical leave for this reason.

#### **Pregnancy, Childbirth or Related Conditions**

Leave because of the employee's disability for pregnancy, childbirth or related medical condition is not counted as time used under California law (the California Family Rights Act). Time off because of pregnancy disability, childbirth or related medical condition does count as family and medical leave under federal law (the Family and Medical Leave Act).

Employees who take time off for pregnancy disability and who are eligible for family and medical leave will also be placed on family and medical leave that runs at the same time as their pregnancy disability leave.

Once the pregnant employee is no longer disabled, or once the employee has exhausted PDL and has given birth she may apply for leave under the California Family Rights Act, for purposes of baby bonding.

Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time. California Family Rights Act leave taken for the birth or placement of a child will be granted in minimum amounts of two weeks.

However, Nadel Inc. will grant a request for a California Family Rights Act leave (for birth/placement of a child) of less than two weeks' duration on any two occasions. Any leave taken must be concluded within one year of the birth or placement of the child with the employee.

### **Leave Related to Military Service**

A leave taken due to a "qualifying exigency" related to military service must be supported by a certification of its necessity. A leave taken due to the need to care for a service member shall be supported by a certification by the service member's health care provider.

### **Health and Benefit Plans**

An employee taking family medical leave will be allowed to continue participating in any health and welfare benefit plans in which he/she was enrolled before the first day of the leave (for a maximum of 12 workweeks for FMLA or CFRA, 17 weeks and three days for PDL, or 26 workweeks if the leave is to care for a covered service member) at the level and under the conditions of coverage as if the employee had continued in employment for the duration of such leave. Nadel Inc. will continue to make the same premium contribution as if the employee had continued working.

The continued participation in health benefits begins on the date leave first begins. In some instances, Nadel Inc. may recover from an employee premiums paid to maintain health coverage if the employee fails to return to work following family/medical leave. Employees who fail to make their portion of premium payments will have their coverage discontinued.

Employees on a leave who are not eligible for continued paid coverage may continue their group health insurance coverage through Nadel Inc. in conjunction with the federal COBRA guidelines by making monthly payments to Nadel Inc. for the amount of the applicable premium. Employees should contact their supervisor for further information. Payment is due when it would be made by payroll deduction.

### **Substitution of Paid Leave**

Generally, FMLA/CFRA leave is unpaid. The Company may require, or employees may choose, to use accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the company's normal paid leave policies. For more information on those specific circumstances requiring or allowing the substitution of paid leave contact Human Resources.

## **Reinstatement**

Under most circumstances, upon return from family/medical leave, an employee will be reinstated to his or her original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee has no greater right to reinstatement than if he or she had been continuously employed rather than on leave.

For example, if an employee on family/medical leave would have been laid off had he or she not gone on leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement. In addition, an employee's use of family/medical leave will not result in the loss of any employment benefit that the employee earned before using family/medical leave. Reinstatement after family/medical leave may be denied to certain salaried "key" employees under the following conditions:

- An employee requesting reinstatement was among the highest-paid 10 percent of salaried employees employed within 75 miles of the work site at which the employee worked at the time of the leave request;
- The refusal to reinstate is necessary because reinstatement would cause substantial and grievous economic injury to Nadel Inc.'s operations;
- The employee is notified of Nadel Inc.'s intent to refuse reinstatement at the time ABC Company determines the refusal is necessary; and
- If leave has already begun, Nadel Inc. gives the employee a reasonable opportunity to return to work following the notice described previously.

## **Time Accrual**

Employees on Family and Medical Leave Act/California Family Rights Act leave (will/will not) continue to accrue Paid Time Off during unpaid Family and Medical Leave Act/California Family Rights Act leave.

## **Carryover**

Leave granted under any of the reasons provided by state and federal law will be counted as family/medical leave and will be considered as part of the 12-workweek entitlement (26-workweek entitlement if leave is to care for a service member) in a 12-month period. The 12-month period is measured forward from the date any employee's first FMLA leave begins. Successive 12-month periods commence on the date of an employee's first use of such leave after the preceding 12-month period has ended. No carryover of unused leave from one 12-month period to the next 12-month period is permitted.

## **Intermittent Leave**

Employees may take FMLA/CFRA leave intermittently (in blocks of time, or by reducing their normal weekly or daily work schedule) if the leave is for the serious health condition of the employee's child, parent, or spouse, or of the employee, and the reduced leave schedule is medically necessary as determined by the health care provider of the person with the serious health condition. The smallest increment of time that can be used for such leave is 2 hours.

## ***PREGNANCY DISABILITY LEAVE (PDL)***

Any female employee planning to take pregnancy disability leave should advise the Employee Benefits Administrator as early as possible and make an appointment to discuss the timing of their leave.

- The duration of an employee's pregnancy disability leave will be determined by the advice of the employee's physician, but employees disabled by pregnancy may take up to four months. Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the employee's pregnancy, childbirth, or related medical condition. This includes leave for severe morning sickness and for prenatal care.
- Nadel Inc. will also reasonably accommodate medical needs related to pregnancy, childbirth, or related conditions or temporarily transfer you to a less strenuous or hazardous position (where one is available) or duties if medically needed because of your pregnancy.
- Employees who need to take pregnancy disability must inform Nadel Inc. when a leave is expected to begin and how long it will likely last. If the need for a leave or transfer is foreseeable, employees must provide notification at least 30 days before the pregnancy disability leave or transfer is to begin.
- If 30 days' advance notice is not possible, notice must be given as soon as practical;
- Pregnancy leave usually begins when ordered by the employee's physician. The employee must provide Nadel Inc. with a certification from a health care provider. The certification indicating disability should contain:
  - The date on which the employee became disabled due to pregnancy;
  - The probable duration of the period or periods of disability; and
  - A statement that, due to the disability, the employee is unable to perform one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.
- Leave returns will be allowed only when the employee's physician sends a release;
- An employee will be required to use accrued sick time (if otherwise eligible to take the time) during a pregnancy disability leave. An employee will be allowed to use accrued vacation or personal time (if otherwise eligible to take the time) during a pregnancy disability leave; and
- Employee benefits will be continued for the duration of time that the employee is disabled by pregnancy, as confirmed by her health care provider, for a period of up to 17 weeks and three days per pregnancy.

Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed. Leave may be taken in increments of two hours. Under most circumstances, upon submission of a medical certification that an employee is able to return to work from a pregnancy disability leave, an employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available.

An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.

#### ***WAGE REPLACEMENT BENEFITS (CALIFORNIA ONLY)***

Each employee contributes through payroll tax to California's state disability insurance programs. State Disability Insurance (SDI) is mandated by the California Unemployment Insurance Code and administered by the Employment Development Department.

SDI is payable when you cannot work because of illness or injury not caused by employment at Nadel Inc. An additional tax funds the state's Paid Family Leave (PFL) program, and provides partial wage replacement for absences related to care of a family member, or bonding with a new child. The PFL program does not provide employees with a right to a leave of absence; it is limited to a state-mandated wage replacement benefit.

Specific rules and regulations governing disability are available at [www.edd.ca.gov](http://www.edd.ca.gov).

#### ***EXTENDED MEDICAL LEAVE***

Under certain circumstances, you may have to request additional medical leave time following the completion of FMLA/CFRA leave for a non-work-related medical disability (other than pregnancy, childbirth, and related medical conditions). If you have a non-work-related medical disability and require additional leave time as a reasonable accommodation, you must present a doctor's written certificate of disability. Extended disability leaves will be considered on a case-by-case basis, consistent with the Nadel Inc.'s obligations under federal and state disability laws.

#### ***PERSONAL LEAVE***

A personal leave of absence without pay may be granted at the discretion of Nadel Inc. Requests for personal leave should be limited to unusual circumstances requiring an absence of longer than two weeks. Approved personal absences of shorter duration are not normally treated as leaves, but rather as excused absences without pay.

### ***BEREAVEMENT LEAVE***

Nadel Inc. grants leave of absence to employees in the event of the death of the employee's current spouse, registered domestic partner, child, parent, legal guardian, brother, sister, grandparent, or grandchild; or mother-, father-, sister-, brother-, son-, or daughter-in-law. An employee with such a death in the family may take up to three consecutive scheduled workdays off to be taken out from the Paid Time Off. The employee's supervisor may approve additional unpaid time off.

### ***JURY DUTY AND WITNESS LEAVE***

Nadel Inc. encourages employees to serve on jury duty when called. Non-exempt and Exempt employees who have completed their introductory periods will have to use his/her Paid Time Off while serving on jury duty. The employee should notify his/her supervisor of the need for time off for jury duty as soon as a notice or summons from the court is received.

You may be requested to provide written verification from the court clerk of performance of jury service. If work time remains after any day of jury selection or jury duty, you will be expected to return to work for the remainder of your work schedule. You may retain any mileage allowance or other fee paid by the court for jury services.

### ***OTHER LEAVES PROVIDED IN CALIFORNIA***

The state of California provides numerous other job protections for employees needing time off to deal with personal matters or commitments. Please see Human Resources for information on any of the following leaves.

- Organ and Bone Marrow Donor Leave
- Domestic Violence, Sexual Assault or Stalking Leave
- Military Leave
- Military Spouse Leave
- School Activities or Suspension Leave
- Time Off for Voting
- Victims of Crime Leave
- Volunteer Civil Service Personnel Leave
- Civil Air Patrol Leave

### ***ORGAN AND BONE MARROW DONOR LEAVE***

Employees who are donors for organ or bone marrow may take paid time off as follows:

- Employees may take up to 30 business days of leave in any one-year period for the purpose of donating an organ to another person. The one-year period is calculated from the date the employee begins his/her leave.



- Employees may take up to 5 business days of leave in any one-year period for the purpose of donating bone marrow to another person. The one-year period is calculated from the date the employee's leave begins.
- During the leave for organ/bone marrow donors, Nadel Inc. will continue to provide and pay for any group health plan benefits the employee was enrolled in prior to the leave of absence.
- Leave taken for the purpose of organ or bone marrow donation is not leave for the purpose of family medical leave under the California Family Rights Act.
- Employees who wish to take a leave of absence to donate bone marrow or an organ will be required to provide written verification of the need for leave, including confirmation that the employee is an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

Nadel Inc. requires that employees taking leave for organ donation use two weeks of accrued Paid Time Off. Nadel Inc. requires that employees taking leave for bone marrow donation use five days of accrued Paid Time Off. Once a Donor has exhausted the required Paid Time Off, the employee will be paid for the remaining leave of absence, if additional leave is needed, up to the maximum allowed by law.

#### ***DOMESTIC VIOLENCE, SEXUAL ASSAULT OR STALKING LEAVE AND ACCOMMODATION***

Employees who are victims of domestic violence, sexual assault and stalking are eligible for unpaid leave. You may request leave if you are involved in a judicial action, such as obtaining restraining orders, or appearing in court to obtain relief to ensure your health, safety, or welfare, or that of your child. You should provide notice and certification of your need to take leave under this policy. Certification may be sufficiently provided by any of the following:

- A police report indicating that the employee was a victim of domestic violence, sexual assault or stalking;
- A court order protecting or separating the employee from the perpetrator of an act of domestic violence, sexual assault or stalking, or other evidence from the court or prosecuting attorney that the employee appeared in court; or
- Documentation from a medical professional, domestic violence, sexual assault or stalking victim advocate, health-care provider, or counselor that the employee was undergoing treatment for physical or mental injuries or abuse resulting in victimization from an act of domestic violence, sexual assault or stalking.

Employees who are victims of domestic violence, sexual assault or stalking and need a reasonable accommodation for their safety at work should contact the Director of Operations and discuss the need for an accommodation. If you are requesting such a reasonable accommodation, you will need to submit a written statement signed by you, or by an individual acting on your behalf, certifying that the accommodation is for the purpose of your safety at work.

For reasonable accommodation requests, the Company will also require certification demonstrating that you are the victim of domestic violence, sexual assault or stalking. Any of the forms of certification

described above for leave purposes will suffice. The Company may request recertification every six months from the date of the previous certification. You should notify the company if an approved accommodation is no longer needed.

The Company will engage in an interactive process with the employee to identify possible accommodations, if any that are effective and will make reasonable accommodations unless an undue hardship will result. ABC Company will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave or accommodation under these provisions.

### ***DOMESTIC VIOLENCE, SEXUAL ASSAULT OR STALKING LEAVE FOR TREATMENT***

Employees who are victims of domestic violence, sexual assault or stalking are eligible for unpaid leave for any of the following:

- To seek medical attention for injuries caused by domestic violence, sexual assault or stalking;
- To obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence, sexual assault or stalking;
- To obtain psychological counseling related to experiencing domestic violence, sexual assault or stalking;
- To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault or stalking including temporary or permanent relocation.
- You should provide notice and certification of your need to take leave under this policy. Certification may be sufficiently provided by any of the following:
  - A police report indicating that the employee was a victim of domestic violence, sexual assault or stalking;
  - A court order protecting or separating the employee from the perpetrator of an act of domestic violence, sexual assault or stalking, or other evidence from the court or prosecuting attorney that the employee appeared in court; or
  - Documentation from a medical professional, domestic violence or sexual assault victim advocate, health-care provider, or counselor that the employee was undergoing treatment for physical or mental injuries or abuse resulting in victimization from an act of domestic violence, sexual assault or stalking.

Nadel Inc. will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave under this provision.

The length of unpaid leave an employee may take is limited to 12 weeks provided for in the federal Family and Medical Leave Act of 1993 for eligible employees.

### ***MILITARY LEAVE***

Employees who wish to serve in the military and take military leave should contact his/her supervisor for information about their rights before and after such leave. You are entitled to reinstatement upon completion of military service, provided you return or apply for reinstatement within the time allowed by law.

### ***MILITARY SPOUSE LEAVE***

Employees who work more than 20 hours per week and have a spouse in the Armed Forces, National Guard or Reserves who have been deployed during a period of military conflict are eligible for up to 10 unpaid days off when their spouse is on leave from (not returning from) military deployment.

Employees must request this leave in writing to Human Resources within two business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to attach to the leave request written documentation certifying the spouse will be on leave from deployment.

### ***SCHOOL ACTIVITIES LEAVE***

Employees are encouraged to participate in the school activities of their child/children. The absence is subject to all of the following conditions:

- Parents, guardians, or grandparents having custody of one or more children in kindergarten or grades one to 12 may take time off for a school activity;
- The time off for school activity participation cannot exceed eight hours in any calendar month, or a total of 40 hours each school year;
- Employees planning to take time off for school visitations must provide as much advance notice as possible to their supervisor;
- If both parents are employed by Nadel Inc., the first employee to request such leave will receive the time off. The other parent will receive the time off only if the leave is approved by his or her supervisor;
- Employees must use Paid Time Off in order to receive compensation for this time off;
- Employees who do not have Paid Time Off available will take the time off without pay, and
- Employees must provide their supervisor with documentation from the school verifying that the employee participated in a school activity on the day of the absence.

### ***SCHOOL APPEARANCES LEAVE***

If an employee who is the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, the employee should alert his or her supervisor as soon as possible before leaving work.

In agreement with California Labor Code Section 230.7, no discriminatory action will be taken against an employee who takes time off for this purpose.

***TIME OFF FOR VOTING***

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote.

Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined.

Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his or her supervisor at least two days' notice.

***VICTIMS OF CRIME LEAVE***

An employee who is themselves a victim or who is the family member of a victim of certain serious crimes may take time off from work to attend judicial proceedings related to the crime or to attend proceedings involving rights of the victim.

A family member of a crime victim may be eligible to take this leave if he/she is the crime victim's spouse, parent, child or sibling. Other family members may also be covered depending on the purpose of the leave.

The absence from work must be in order to attend judicial proceedings or proceedings involving rights of the victim. Only certain crimes are covered. You must provide reasonable advance notice of your need for leave, and documentation related to the proceeding may be required. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence. Any absence from work to attend judicial proceedings or proceedings involving victim rights will be unpaid, unless you choose to take paid time off.

For more information regarding this leave (including whether you are covered, when and what type of documentation is required, and which type of paid time off can be used, please contact the Director of Operations.

***VOLUNTEER CIVIL SERVICE PERSONNEL***

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. You are also eligible for unpaid leave for required training. Volunteer firefighters, reserve peace officers and emergency rescue HR may take up to a total of fourteen days per calendar year to engage in fire, law enforcement or emergency rescue training. When taking time off for emergency duty, please alert your supervisor before doing so, when possible.

### ***CIVIL AIR PATROL LEAVE***

No employee with more than 90 days of service shall be disciplined for taking time off to perform emergency duty as a volunteer in the California Civil Air Patrol. If you are a Civil Air Patrol volunteer, please alert your supervisor that you may have to take time off for emergency duty. When taking time off for emergency duty, please alert your supervisor before doing so, giving as much advance notice as possible.

Up to 10 days of leave for duty may be taken each year. However, leave for a single emergency mission cannot exceed three days, unless the emergency is extended by the entity in charge of the operation and the extension of leave is approved by the Company.

## **Company Property**

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Lockers, desks, computers, vehicles, and other Nadel Inc.-owned items are Nadel Inc. property and must be maintained according to Nadel Inc. rules and regulations. They must be kept clean and are to be used only for work-related purposes. Nadel Inc. reserves the right to inspect all Nadel Inc. property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence.

Prior authorization must be obtained before any Nadel Inc. property may be removed from the premises. For security reasons, employees should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice, with or without the employee's prior consent. Terminated employees should remove any personal items at the time they leave Nadel Inc. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

### ***HOUSEKEEPING***

All employees are expected to keep their work areas clean and organized. People using common areas such as lunch rooms, locker rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

### ***SOLICITATIONS, DISTRIBUTIONS & USE OF BULLETIN BOARDS POLICY***

Understanding that employees may occasionally wish to communicate with their co-workers to advertise personal items for sale or to participate in fundraisers for non-profit organizations, children's schools and other non-work events, we allow use of lunch rooms and bulletin boards to distribute such information.

Management reserves the right to monitor such communications and remove them if inappropriate or not in the best interest of Nadel Inc. operations.

In respect for other's efficiency, please do not use work email, voicemail or other resources as a means to solicit or distribute non-work materials. Activities that disrupt work hours or operations are prohibited.

Persons not employed by Nadel Inc. may not solicit Company employees for any purpose on Company premises.

***OFF-DUTY USE OF FACILITIES***

Employees are prohibited from remaining on Nadel Inc. premises or making use of Nadel Inc. facilities while not on duty. Employees are expressly prohibited from using Nadel Inc. facilities, Nadel Inc. property, or Nadel Inc. equipment for personal use.

***PROHIBITED USE OF COMPANY CELL PHONE WHILE DRIVING***

In the interest of safety for our employees and other drivers, Nadel Inc. employees are prohibited from using cell phones while driving on Nadel Inc. business and/or time.

If your job requires that you keep your cell phone turned on while you are driving, you must use a hands-free device. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on Nadel Inc. business and/or Nadel Inc. time. Nadel Inc. recommends preprogramming frequently used numbers into your phone rather than looking up numbers before dialing them. Violating this policy is a violation of state law and a violation of Nadel Inc. rules.

Writing, sending, or reading text-based communication – including text messaging, instant messaging, and e-mail – on a wireless device or cell phone while driving is also prohibited under this policy.

The prohibition would not apply to such a person using a wireless telephone or a mobile service device for emergency purposes.

***SMOKING***

Smoking is not allowed in any enclosed area of the facility.

***PARKING***

Employees are provided parking and should park their vehicles in designated areas only. Nadel Inc. is not responsible for any loss or damage to employee vehicles or contents while parked on parking areas.

# Safety and Health

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All employees are responsible for their own safety, as well as that of others in the workplace. To help us maintain a safe workplace, everyone must be safety-conscious at all times. Report all work-related injuries or illnesses immediately to your supervisor and the Director of Operations.

In compliance with California law, and to promote the concept of a safe workplace, Nadel Inc. maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees and/or employee representatives in the Employee Benefits Office. In compliance with Proposition 65, Nadel Inc. will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

## **SECURITY**

Nadel Inc. has developed guidelines to help maintain a secure workplace. Be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and service areas. Report any suspicious persons or activities to the Director of Operations. Secure your desk or office at the end of the day. When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in or around your workstation that may be accessible. The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify your supervisor and Director of Operations when unknown persons are acting in a suspicious manner in or around the facilities, or when keys, security passes, or identification badges are missing.

## **WORKPLACE VIOLENCE**

The safety and security of Nadel Inc. employees is of the utmost importance to Nadel Inc. Nadel Inc. has adopted a Zero Tolerance Policy for workplace violence.

Acts or threats of physical violence including intimidation, coercion, and/or harassment, which involve or affect Nadel Inc. employees, visitors, guests or other individuals will not be tolerated. (Harassment of a sexual nature is dealt with under Nadel Inc. sexual harassment policy.) Violations of this policy will be investigated by the Director of Operations. Violations of this policy may lead to disciplinary action including dismissal, arrest, and prosecution.

Nadel Inc. management will continually strive to prevent and minimize the potential of violence in the workplace by:

- Continually reviewing and evaluating physical security at all Nadel Inc. facilities
- Providing training and education to employees
- Evaluating and assisting in responding to workplace violence issues.
- Maintaining accurate and up to date reports and evaluations of all violence related issues and incidents.

Nadel Inc.'s prohibition against threats and acts of violence applies to all persons involved in Nadel Inc.'s operation, including but not limited to Nadel Inc. personnel, interns, contract and temporary workers, and anyone else on Nadel Inc. property worldwide.

Violations of this policy by any individual on Nadel Inc. property, by any individual acting as a representative of Nadel Inc. while not on Nadel Inc. property or by any individual worldwide when his/her actions affect Nadel Inc.'s business interests will be met by appropriate action.

General examples of prohibited workplace violence include, but are not limited to, the following:

- All threats or acts of violence occurring on Nadel Inc. property, regardless of the relationship between Nadel Inc. and the parties involved in the incident.
- All threats or acts of violence not occurring on Nadel Inc. property but involving someone is acting in the capacity of a representative of Nadel Inc.
- All threats or acts of violence not occurring on Nadel Inc. property involving an employee of Nadel Inc. if the threats or acts of violence affect the interests of the Corporation.

Specific examples of conduct that will be considered "threats or acts of violence" prohibited under this policy include, but are not limited to, the following:

- Hitting or shoving an individual.
- Threatening to harm an individual or his/her family, friends, associates, or their property.
- The intentional destruction or threat of destruction of property owned, operated or controlled by Nadel Inc.
- Making harassing or threatening telephone calls, letters or other forms of written and electronic communication.
- Intimidating or attempting to coerce an employee to do wrongful acts.
- Harassing surveillance, also known as "stalking", the willful, malicious and repeated following of another person.
- Making a remark suggesting or implying that an act to injure persons or property is "appropriate", regardless of the location where such a remark is made.
- Possession or use of any firearm, weapon, or any other dangerous device on Nadel Inc. owned or controlled property, with the exception of law enforcement officers in the course of their normal duties and security HR specifically authorized by Nadel Inc.'s management.

Additionally, the carrying of firearms is prohibited at Nadel Inc. sponsored functions or while conducting Nadel Inc. business even if that business is outside of Nadel Inc.'s premises. This prohibition includes all facilities, including those in locations where individuals are permitted and licensed to possess or carry firearms by law. In addition, in states that require it by statute, all Nadel Inc. owned or controlled



properties will post signage advising all Nadel Inc.'s personnel, interns, contract and temporary workers and anyone else entering the property that firearms are not permitted.

Conducting Nadel Inc. business includes but is not limited to visits to customer and vendor sites, attendance at conferences and trade shows, and other business activity that may be conducted at hotels, restaurants or other meeting places. After receiving notification of a workplace violence issue, Nadel Inc. management will initiate an investigation and will respond utilizing internal and external resources as needed.

Any person who makes threats, exhibits threatening behavior, or engages in violent acts on Nadel Inc. property shall be removed from the premises as quickly as safety permits, and shall remain off Nadel Inc. premises pending the outcome of an investigation.

Nadel Inc. management will initiate an appropriate response. This response may include, but is not limited to, suspension and/or termination of any business relationship, reassignment of job duties, suspension or dismissal and/or criminal prosecution of the person or persons involved.

All Nadel Inc. personnel are responsible for notifying Nadel Inc. management of any threats that they have witnessed, received or have been told that another employee has witnessed or received, whether on or off the premises. Even without an actual threat, employees should report any behavior they have witnessed which they regard as threatening or violent, when that behavior might be carried out on and Nadel Inc.-controlled site, or at Nadel Inc. sponsored event, or when that behavior might occur between Nadel Inc. employees off the premises. Employees are responsible for making this report regardless of the relationship between the individual who initiated the threat or threatening behavior and the person and persons who were threatened or were the focus of the threatening behavior.

All individuals who apply for or obtain a protective or restraining order which lists Nadel Inc.'s locations as being protected areas must provide to Nadel Inc. management a copy of the petition and declarations used to seek the order, a copy of any temporary protective or restraining order which is granted, and a copy of any protective or restraining order which is made permanent. Nadel Inc. will provide opportunities for employees to be trained in the risk factors associated with workplace violence and proper handling of emergency situations in order to minimize the risks of violent incidents occurring in the workplace.

### ***ERGONOMICS***

Nadel Inc. is subject to Cal/OSHA ergonomics standards for minimizing workplace repetitive motion injuries. Nadel Inc. will make necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and employee training. Nadel Inc. encourages safe and proper work procedures and requires all employees to follow safety instructions and guidelines. Nadel Inc. believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well-being, and is essential to our business. We intend to provide appropriate resources to create a risk-free environment. If you have any questions about ergonomics, please contact the Director of Operations.

### ***EMPLOYEES WHO ARE REQUESTED TO DRIVE***

Employees who are required to drive the Nadel Inc. vehicle or their own vehicles on Nadel Inc. business will be required to show proof of current valid driving licenses and proof of insurability under the Company's policy or current effective insurance coverage before the first day of employment. Nadel Inc. participates in a system that regularly checks state Department of Motor Vehicles (DMV) records of all employees who drive as part of their job.

Nadel Inc. retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under Nadel Inc.'s policy. Employees who drive their own vehicles on Nadel Inc. business will be reimbursed at the current IRS rate.

### ***RECREATIONAL ACTIVITIES AND PROGRAMS***

Nadel Inc. or its insurer will not be liable for payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties.

### ***HEAT ILLNESS***

Nadel Inc. is concerned with employee health and safety. Employees who work outside may be exposed to extreme temperatures or adverse working conditions, particularly in the summer months. All supervisors are trained in the prevention of heat illness. Please refer to Nadel Inc.'s Injury Illness and Prevention Program or talk to the Director of Operations for details on how to ensure you are protected from heat illness dangers.

### ***INCLEMENT WEATHER/NATURAL DISASTERS***

In the event of severe weather or a natural disaster that prevents employees from safely traveling to and from work, the following leave policies will apply:

- **Inclement weather:** If weather conditions prevent you from safely traveling to work, you must notify your supervisor by phone, if telephone service is functional, or by any other available means. Employees may be paid for up to five (5) days per year when weather conditions prevent them from reaching the worksite. Absences in excess of five (5) days will be unpaid or will be deducted from paid time off.
- **Natural disasters:** In the event of a natural disaster such earthquake, fire, or explosion, the office will be closed if the building is damaged or highways leading to the office are damaged.

Any non-exempt employee who reports to work but is turned away because of severe weather or a natural disaster, will be paid reporting time pay for that day. Any exempt employee who performs work away from the office in the event of inclement weather or a natural disaster will still be paid their salary for that week.

# Confirmation of Receipt

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I have received my copy of Nadel Inc.'s Employee Handbook, revision date September 2015. I understand that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook. I also understand that in addition to the Handbook my employment may be subject to policies or requirements communicated by management via email and documents posted to our internal network at My Nadel intranet.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by Nadel Inc. Nadel Inc. reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the president of Nadel Inc., no manager, supervisor, or representative of Nadel Inc. has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the president has the authority to make any such agreement and then only in writing, signed by the President/CEO.

I understand and agree that nothing in the employee handbook creates or is intended to create a promise or representation of continued employment and that employment at Nadel Inc. is employment at-will; employment may be terminated at the will of either Nadel Inc. or me.

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

Employee's Signature: \_\_\_\_\_

Employee's Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

# Confirmation By The Board of Directors

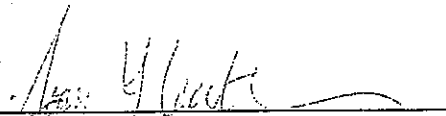
We, the Board of Directors, whose signature appears below, read, acknowledge, and confirm that everything written on the Employee Handbook is consistent to our company policies and procedures. We approved this Handbook and can be distributed to all employees of Nadel Inc.



HERBERT NADEL

8/31/15

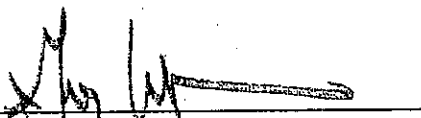
DATE



JOAN FREI

8/30/15

DATE



GREG LYON

9.21.15

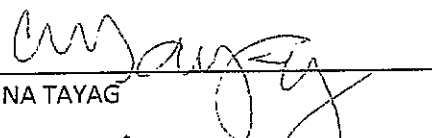
DATE



GREG PALASKI

9/30/15

DATE



CHRISTINA TAYAG

8/31/15

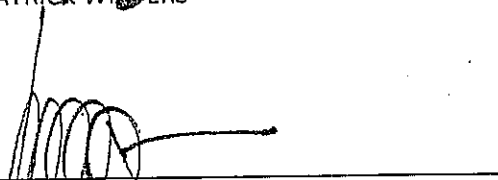
DATE



PATRICK WINTERS

8/30/15

DATE



MARK MIKELSON

10/1/15

DATE