



Employee Handbook

NOTHING IN THIS MANUAL OR ANY OTHER DOCUMENT OR STATEMENT SHALL BE CONSTRUED TO CREATE A CONTRACT OF EMPLOYMENT WITH THE EMPLOYEE. THE SOLE MANNER IN WHICH A CONTRACT OF EMPLOYMENT MAY BE CREATED IS IN THE EVENT THE EMPLOYER EXECUTES A DOCUMENT CALLED AN "AGREEMENT" WITH THE EMPLOYEE RELATING TO ITS EMPLOYMENT THAT BY ITS ACTUAL TERMS SPECIFICALLY STATES THAT IT IS A CONTRACT OF EMPLOYMENT

Employee Handbook Table of Contents

Contents

About the Human Resource and Information Guide	5
Employment Is At Will.....	5
1. Human Resource Policies.....	6
1.1 Equal Employment Opportunity	6
1.2 Employee Problem Solving	6
1.3 Smoking Policy	6
1.5 Anti-Harassment Policy	7
1.7 No Solicitation or Distribution	9
1.8 Security	9
1.9 Company Equipment, Software, & Data	9
1.10 Personal Property	10
1.12 Termination of Employment	11
1.15 Personal Data	11
2. Salary Information.....	12
2.1 Salary Reviews	12
2.2 Performance Reviews	12
2.3 Work Hours	12
2.4 Time Records	13
2.5 Pay Days	13
2.6 Direct Deposit	13
3. Working Conditions.....	13
3.1 Special Technical Training	13
3.2 Personal Days	14
3.3 Tardiness	14
3.4 Vacation Days	14
3.5 Holidays	15
3.6 Bereavement	15
3.7 Military Leave	15
3.8 Jury Duty	15
3.9 Family and Medical Leave Act Policy	15
3.10 Health Benefits	18
3.11 Retirement Plan (401k)	18
3.12 COBRA Benefits	18
4. Traveling On Company Business.....	20
4.1 Tips	20
4.2 Seat Belts	20
4.4 Travel	20
5. Rules of Conduct.....	20
5.1 Personnel Records	20
5.2 Business Conduct	21
5.3 Dress Code	21
5.4 Conditions of Employment	22
6. Use of Property, Equipment and Vehicles.....	24

Welcome to Appliedinfo Partners

Appliedinfo Partners, Inc. (AIP) is a leading provider of best-of-breed technology and communications products and services. We offer our clients an extensive range of high quality services and products specifically tailored to their unique needs. We operate through three divisions:

- D2 Creative is a business division that offers a full-service of integrated communications that specializes in education through technology in the consumer, healthcare, B-to-B, and government arenas. Clients include IEEE, Novartis, & Fujifilm USA;
- D2 TEAM-Sim is a division that offers state of the art interactive training, modeling simulation development for a wide breath of services that can be utilized in the entertainment, industrial and government sectors. D2 TEAM-Sim also markets a content development framework called DIF. The US Army has standardized on DIF at all of their schools.
- D2 Cybersecurity is a division that offers online training, an essential first step in reinforcing IT cyber policies/guidelines and increasing vigilance towards future cyber threats.

Our three divisions are geared toward just one objective: enabling us to remain highly competitive in an exciting and growing marketplace. We believe that we have an exciting future ahead of us.

We have two proprietary products:

- DivTRAK is a supplier diversity software system. See www.divtrk.com. Clients include Avis Budget Group, GM, & American Airlines;
- DIF is e-learning software. See www.dif.com. One of our clients is the Department of Defense.

Successful companies have three things in common:

- They are customer driven and make every effort to meet their needs;
- They strive to be the best at whatever they do; and
- They recognize that their employees are their most important assets.

Here at AIP, we hold these same basic beliefs. We have sought and will continue to seek the best practical working policies, procedures, and practices to make this vision a reality. This Human Resource Handbook contains an overview of the Company's personnel policies concerning procedures and benefits. Its contents are for informational purposes only and are intended solely as a guide. The language is not intended, nor is it to be construed, to constitute or create the terms of an employment contract between AIP and any of its employees. It is the policy of the company not to enter into employment contracts unless they are in writing, specific to an employee, and approved by the President.

Because of the continuing need to change policies to accommodate growth in the Company, the following rules and regulations are subject to change and improvement without prior notice. Such changes and improvements will be incorporated in future editions of this Handbook and communicated in writing to employees. These changes and improvements will be effective upon receipt of such notification.

You are encouraged to discuss any of these policies and procedures, as well as any other questions, with your supervisor at any time.

John Lau
President
3/15/2016

About the Human Resource and Information Guide

This Employee Handbook is designed to acquaint you with AIP, herein referred to as the Company, and provide you with information about certain working conditions, employee benefits, employee responsibilities, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of this Employee Handbook since it supersedes all previous Handbooks and any other prior written or oral communications about the subjects contained in it.

No Employee Handbook can anticipate every circumstance or question regarding policy. As AIP continues to grow, the need may arise to revise, supplement, amend, or rescind any policies or portion of the employee Handbook. AIP reserves the right to do so as it deems appropriate, in its sole and absolute discretion. Policies will be contained within this guide or located in our Accounting/HR Department. All employees should stop by periodically to determine if a new policy may affect them or their departmental operation.

Employment Is At Will

THE EMPLOYEE EXPRESSLY UNDERSTANDS THAT HE OR SHE IS AN EMPLOYEE AT WILL AND CAN BE TERMINATED AT ANY TIME WITHOUT NOTICE FOR NO REASON OR FOR ANY REASON THAT IS NOT VIOLATIVE OF THE LAW. IN THE EVENT EMPLOYEE IS TERMINATED, HE OR SHE WILL NOT BE ENTITLED TO SEVERANCE, BONUS OR OTHER BENEFITS, ACCRUED OR OTHERWISE (EXCEPT AS MAY BE GOVERNED BY A DULY SIGNED AGREEMENT BETWEEN THE PARTIES, IF ANY), AND NO BINDING PROMISE HAS BEEN MADE OR WILL BE DEEMED MADE TO PROVIDE THE SAME UNLESS IT IS IN WRITING SIGNED BY THE COMPANY UNDER THE HEADING "AGREEMENT" OR "AMENDED AGREEMENT."

Neither this Employee Handbook nor any other Company policy or procedure shall create or grant any right to you or any other employee of guaranteed employment for any period. No representative of the Company except the President may enter into any written agreements nor may any Company representative, without exception, make any representations, written or oral, to alter your at will status or otherwise create a contractual obligation to you. Your suggestions about work life here at AIP are welcomed and valued. If you have any questions concerning the interpretation or application of specific areas of this Handbook or any other matter, it is your right and responsibility to consult with your supervisor or HR representative.

1. Human Resource Policies

1.1 Equal Employment Opportunity

Appliedinfo Partners, Inc. does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, marital status, disability or an employee's status in a civil union, which can be reasonably accommodated, or any other classification protected by law. In addition, it is our policy to provide an environment free from unlawful harassment of any kind. Therefore, we take affirmative action to assure that all applicants and employees receive equal employment opportunities and that all personnel decisions, actions, and conditions affecting employees including, but not limited to, assignments, transfers, promotions, and compensation, will be governed by the principles of equal employment opportunity.

1.2 Employee Problem Solving

Since we recognize that no job or organization is perfect and that problems or misunderstandings may arise from time to time, we are committed to working with our employees to solve problems and learn from mistakes. If you experience any problems or complaints regarding the application of Company policies, payment of wages, employment discrimination, harassment, or other concerns, it is your right and responsibility to confer with your supervisor to resolve such issues. Thereafter, if the issue is not resolved, or if the problem involves the supervisor, we encourage you to contact HR or schedule a meeting with the Company President, without fear of reprisal. We want to listen to and resolve your problems internally, but need and depend upon your cooperation to make the problem-solving procedure function properly.

1.3 Smoking Policy

The building in which Appliedinfo Partners, Inc. is located, is designated "smoke free" in accordance with the policy of local governmental agencies. Employees may leave the building for smoking provided that their breaks do not become excessive or otherwise interrupt Company operations.

1.4 Drug-Free Workplace

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

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy applies to all employees and all applicants for employment of AIP. The HR department is responsible for policy administration.

Work Rules

The following work rules apply to all employees:

- Whenever employees are working, are operating any company vehicle, are present on company premises, or are conducting related work off-site, they are prohibited from:
 - Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of drug paraphernalia).
 - Being under the influence of alcohol or an illegal drug as defined in this policy.

- The presence of any detectable amount of any illegal drug or illegal controlled substance in an employee's body while performing company business or while in a company facility is prohibited.
- AIP will not allow any employee to perform their duties while taking prescribed drugs that are adversely affecting the employee's ability to safely and effectively perform their job duties. Employees taking a prescribed medication must carry it in the container labeled by a licensed pharmacist or be prepared to produce it if asked.
- Any illegal drugs or drug paraphernalia will be turned over to an appropriate law enforcement agency and may result in criminal prosecution.

Consequences

Applicants who refuse to cooperate in a drug test or who test positive will not be hired.

Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture or dispense an illegal drug in violation of this policy will be terminated.

The first time an employee tests positive for alcohol or illegal drug use under this policy, the result will be discipline up to and including discharge.

Confidentiality

Information and records relating to positive test results, drug and alcohol dependencies and legitimate medical explanations provided to the medical review officer (MRO) shall be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files.

Inspections

AIP reserves the right to inspect all portions of its premises for drugs, alcohol or other contraband. All employees, contract employees and visitors may be asked to cooperate in inspections of their persons, work areas and property that might conceal a drug, alcohol or other contraband. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline up to and including discharge.

Crimes Involving Drugs

AIP prohibits all employees from manufacturing, distributing, dispensing, possessing or using an illegal drug in or on company premises or while conducting company business. Employees are also prohibited from misusing legally prescribed or over-the-counter (OTC) drugs. Law enforcement personnel shall be notified, as appropriate, when criminal activity is suspected.

1.5 Anti-Harassment Policy

The Company intends to provide a work environment that is pleasant, professional, and free from intimidation, hostility or other offenses that might interfere with work performance. Harassment of any sort will not be tolerated, whether based upon sex, race, sexual orientation, religion, national origin, age, disability, any person's opposition to discrimination or participation in complaint proceedings, or an employee's status in a civil union. The Company will not tolerate retaliation against anyone who complains of harassment or who participates in an investigation. Anyone who engages in harassing conduct will be subject to discipline, which includes possible termination of employment.

What is Harassment?

Harassment can generally be described as words or conduct that are based upon personal characteristics, such as sex, race, sexual orientation, age, disability, religion, national origin, or an employee's status in a civil union that a reasonable person would find to be derogatory or objectionable, and which alters the terms and conditions of employment, is the basis of adverse employment action, or creates a hostile or intimidating work environment. Sexual harassment is defined as any unwanted physical, verbal, or visual sexual advances, requests for sexual favors, and other sexually oriented conduct that is offensive or objectionable to the recipient. Such conduct can include, but is not limited to, epithets, derogatory comments, suggestive comments, "accidental" physical contact, slurs, gestures, and offensive posters, cartoons, pictures, and drawings. Offending conduct can occur through any medium of communication, including without limitation by telephone, mail, e-mail, or social media.

When Is Conduct Unwelcome or Harassing?

For example, unwelcome sexual advances (either physical or verbal), requests for favors and other verbal or physical conduct of a sexual nature constitute harassment when: (a) submission to such conduct is either an explicit or implicit term or condition of employment; (b) submission to or rejection of the advance becomes the basis of an employment decision, such a hiring, promotion, or termination; (c) the conduct has either the purpose or the effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

Responsibility

All employees of the Company are responsible for keeping our work environment free of harassment. Any employee of the Company, who learns of an incident of harassment, whether by witnessing the incident or being told of it, should report it to HR, his or her immediate manager, a designated management representative, or any other manager or principal of the Company with whom he or she feels comfortable. That manager should then repeat the information to the President of the Company. When upper management receives a complaint of harassment, it will take prompt and appropriate action and may investigate the complaint, whether or not the person who complains wants the company to do so.

Reporting

While the Company encourages you to communicate directly with the alleged harasser, and make it clear that the harasser's behavior is unacceptable, offensive or inappropriate, it is not required that you do so. You must, however, notify HR or the President of the Company immediately even if you are not sure the offending behavior is considered harassment.

What Happens when a Complaint Is Made?

When a complaint of harassment is made, a member or designated representative of management will investigate the complaint. The person will speak with possible witnesses and will speak with the person about whom the complaint is made. To the extent possible, your confidentiality and that of any witnesses and of the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the result.

No Retaliation

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

Penalties

Harassment will not be tolerated at the Company. If the investigation of a complaint of harassment shows that harassing behavior has taken place, the harasser will be subject to appropriate disciplinary action, up to possible loss of employment.

1.6 Social Media—Acceptable Use

Below are guidelines for social media use.

Employees may not post financial, confidential, sensitive or proprietary information about the company, clients, employees or applicants.

Employees may not post obscenities, slurs or personal attacks that can damage the reputation of the company, clients, employees or applicants.

When posting on social media sites, employees must use the following disclaimer when discussing job-related matters, *“The opinions expressed on this site are my own and do not necessarily represent the views of AIP.”*

AIP may monitor content out on the Internet. Policy violations may result in discipline up to and including termination of employment.

1.7 No Solicitation or Distribution

Employees shall not permit or enable persons not employed by AIP to distribute literature or solicit on Company property for any purpose. Employees may not solicit fellow employees during working time or distribute literature to fellow employees during work time or in work areas.

1.8 Security

The premises of AIP houses valuable equipment, intellectual property, software, data, furnishings, merchandise and important proprietary and customer sensitive information. In order to protect the safety and employment of everyone, it is extremely important that all employees pay close attention to the security of our facility. Access cards and alarm codes are issued by HR. Video security cameras are located throughout the building.

All visitors must sign in to our Visitation Log Record, secure a visitors badge for their guest and have them display it visibly at all times upon their person as they are accompanied throughout the building.

Please notify HR Department immediately if you see anyone or anything that raises suspicion of a breach of company security regulations.

1.9 Company Equipment, Software, & Data

In order to assist employees in performing their jobs, AIP provides certain equipment and software, including but not limited to, e-mail, telephones, postage, copy/fax machines, computer equipment, and other hardware/software and communications media. Such equipment and software is and shall remain the property of AIP at all times. The Company reserves the right to access, inspect, review, copy, remove, or change such equipment or software as it deems appropriate. Such equipment and software is made available to employees for use only in connection with the business of the Company and may not be utilized for personal or other reasons. In addition, software that is purchased and provided by the Company may not be copied, or distributed except as specifically authorized in writing and signed by the Company President. Employees are responsible for the safekeeping of Company equipment in their possession. Loss, destruction, or unauthorized use of such equipment may result in disciplinary action, up to and including termination of employment. Upon request, equipment is to be returned to Appliedinfo Partners, Inc. immediately. For additional information, refer to *AIP_Cybersecurity_Manual.pdf*, Section 6.

1.10 Personal Property

AIP does not assume any responsibility for the loss, theft, or destruction of any personal property that is brought onto Company premises which does not result directly from the gross negligence of the Company. Employees are urged to exercise care and caution in regard to leaving their personal belongings on Company premises.

1.11 Employee Classification Categories

All employees are designated as either nonexempt or exempt under state and federal wage and hour laws. The following is intended to help employees understand employment classifications and employees' employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. The right to terminate the employment-at-will relationship at any time is retained by both the employee and AIP.

Nonexempt employees are employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the law's requirements concerning minimum wage and overtime.

Exempt employees are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor.

AIP has established the following categories for both nonexempt and exempt employees:

- **Regular, full time:** Employees who are not in a temporary status and who are regularly scheduled to work the company's full-time schedule of 40 hours per week. Generally, these employees are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefits program.
- **Regular, part time:** Employees who are not in a temporary status and who are regularly scheduled to work less than the full-time schedule but at least 25 hours each week. Regular, part-time employees are eligible for some of the benefits offered by the company subject to the terms, conditions and limitations of each benefits program.
- **Temporary, full time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.
- **Temporary, part time:** Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work less than the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status.

Temporary workers are not eligible for company benefits unless specifically stated otherwise in company policy or are deemed eligible according to plan documents.

1.12 Termination of Employment

If you wish to resign from AIP the Company requests that you provide two weeks advance notice in writing. This will ensure your departure runs smoothly, and will allow a complete exit interview with HR. Accrued or unused vacation time may not be used as part of resignation notice unless in compliance with Company policy regarding advance notification of the intent to take vacation time.

When possible, exit interviews are scheduled on or before the employee's last day of employment by HR. The exit interview is used to obtain information that may help AIP evaluate existing conditions so improvement may continually be implemented. Last pay will be credited on the next payroll.

1.13 Employment Applications

The Company relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and during employment. Any misrepresentations, falsifications, material omissions in any of this information or data may result in the Company's exclusion of the individual from further consideration for employment or if the person has been hired, termination of employment.

1.14 Background and Reference Checks

To ensure that individuals who work at AIP are well qualified and to ensure that AIP maintains a safe and productive work environment, it is our policy to conduct pre-employment background checks on all applicants who accept an offer of employment and sign the Authorization for Background Check form. Background checks may include verification of any information on the applicant's resume or application form.

All offers of employment are conditioned on receipt of a background check report that is acceptable to AIP. All background checks are conducted in conformity with the Federal Fair Credit Reporting Act, the Americans with Disabilities Act, and state and federal privacy and antidiscrimination laws. Reports are kept confidential and are only viewed by individuals involved in the hiring process.

If information obtained in a background check would lead AIP to deny employment, a copy of the report will be provided to the applicant, and the applicant will have the opportunity to dispute the report's accuracy. Background checks may include a criminal record check, although a criminal conviction does not automatically bar an applicant from employment.

AIP also reserves the right to conduct a background check for current employees as required of AIP clients for certain projects, in the same manner as described above. Refusal of current employees to sign the Screening Consent Form may result in further investigation leading to termination of employment.

1.15 Personal Data

AIP maintains Personal Identification Information of our employees/clients and certain statutes govern various protections. "**Personal Information**" means any information that refers, is related to, or is associated with an identified or identifiable individual, including, but not limited to, (a) Personal Data (as defined below) and (b) an individual's first name or first initial and his or her last name in combination with any one or more of the following data elements: (i) Social Security Number, (ii) driver's license number or state identification card number, (iii) account number, credit or debit card number, in combination with any required security code, access code, or password that would permit access to an

individual's financial account or (iv) any individually identifiable information regarding an individual's medical history or medical treatment or diagnosis by a health care professional.

An employee as a condition of employment accepts that AIP will compose an internal directory distributed to all employees at AIP providing various contact information and numbers. This is updated regularly, outdated copies shredded, then replaced and only shared with individuals within our organization during the course of their employment.

All employees must complete and sign Forms W-4, I-9, and any other required forms. All employees must submit emergency contact information to HR. All personal information is kept locked and confidential in the HR department. It is each employee's responsibility to promptly notify the Company of any changes in personal data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personal data has changed the employee should notify the Supervisor. All personal information is not to be carried outside our office.

2. Salary Information

2.1 Salary Reviews

Your salary is based on several factors: the worth of your job in the competitive marketplace, your experience and job performance as well as state and federal laws and regulations which govern pay issues. Salary plans for each position, including consideration of comparable rates of pay in similar companies, cost of living factors and other variables are developed regularly and will be considered. A review of employee salary is held at intervals determined by your supervisor according to your placement in the salary range for the particular position as well as your performance. Reviews will take place more frequently at the lower end of the range; less frequently at the higher end; more frequently for outstanding performance; less frequently for average performance. This review will explain the salary range for your current position, your current place in that range, the basis for your current and/or new salary and, the possibilities for your future continued association with the Company.

2.2 Performance Reviews

Performance Reviews are entirely distinct from Salary Reviews and may occur at different times. Your supervisor may conduct a Performance Review on a periodic or regular basis thereafter as a systematic method of appraising and improving job performance. These reviews will cover specific performance plans, goals, and objectives based on job duties along with an assessment of your performance against these goals. Performance Reviews are utilized primarily to assist in improving your job contribution to AIP, thus enhancing your worth to the Company and increasing your self-worth as well. Increased contributions are recognized in a variety of ways including more frequent Salary Reviews and increments, bonuses, and opportunities for advancement in the scope of work and position. The results of Performance Reviews are therefore important, but not the only component of Salary Reviews. AIP continually strives to promote employees and fill vacancies internally and on an equal opportunity basis. Performance and qualification reviews are an important part of this process. However, certain positions may require particular skills that can only be obtained by recruiting qualified people outside the Company. The Company is not bound to provide raises to employees in any particular calendar year, and all prior oral or written representations to the contrary, if any, are hereby nullified.

2.3 Work Hours

AIP is normally open to service clients Monday through Friday from 9:00 a.m. through 6:00 p.m. Full time employees must record in TymeTRAK a minimum of forty-hours per week, unless otherwise

authorized by President or CEO. This does not include the lunch period. Working hours are established between employee and supervisor so the needs of a particular department are met.

Overtime is defined as hours worked by an hourly or nonexempt employee in excess of 40 hours in a workweek and should be recorded to the nearest tenth of an hour. Overtime must be approved in advance by the manager to whom the employee reports. Nonexempt employees who exceed 40 hours of work time in a workweek will be paid time and one half. No compensatory off will be granted to nonexempt employees.

2.4 Time Records

Each employee is responsible for the timely and accurate completion of actual worked hours through the AIP TymeTRAK System. Electronic time records should be updated daily and must be completed by Friday evening when the workweek ends. Managers must approve all such records for their own departments no later than noon the following Monday. Accurate records are vital to payroll processing, costing of projects, as well as compliance of labor regulations. Any falsification of records or tampering of the database may result in disciplinary action up to and including termination.

2.5 Pay Days

All employees are paid every two weeks on Thursdays. The law requires that the Company make certain deductions from every employee's compensation. Among those possible deductions are applicable federal, state, and local income taxes. The Company also must deduct Social Security taxes on each employee's earning up to a specified limit that is called the Social Security "wage base." If you have questions concerning why deductions were made from your paycheck or how they were calculated, please see the company HR department.

The Company takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday. In the unlikely event that there is an error in the amount of pay, the employee is required to promptly bring the discrepancy to the attention of the HR department.

2.6 Direct Deposit

To have your pay directly deposited in a private checking account, please submit a voided check (write "void" in the payee line) to the HR department. For direct deposit into a savings account a deposit slip is required. You will receive a direct deposit statement showing gross pay, net pay, and any deductions. Direct deposit means your funds are available to you on the day of deposit, which is the actual payday. Your pay is your personal and confidential business. We respect that confidentiality and expect that you do not disclose this personal information to others.

3. Working Conditions

3.1 Special Technical Training

From time to time, employees may be required to attend technical training to improve or upgrade skills. An employee may also request approval to attend company paid technical or other training programs as part of career development. Company management shall retain full discretion as to approval or rejection of such requests. Employee must complete a Training Request Form with approval from their respective Division Heads and CEO. Only with approved Training Requests shall, AIP assume all expenses and costs involved.

Employee shall reimburse AIP in full should such employee resign from employment within 12 months of completing an AIP sponsored training program.

3.2 Personal Days

If you are unable to come to work due to illness or any other reason, inform your immediate supervisor or assigned delegate within the first half-hour of your normal starting time. You are responsible for keeping your supervisor up to date when absent on a successive daily basis.

Each employee is entitled to a maximum of five personal days off per calendar year. Personal days will begin to accrue on the 1st of the month following your initial ninety day period of employment at a rate of 0.417 days per full calendar month. These may be taken in full or half-day increments for illness, personal business, or religious holidays. These personal days are not accruable to the following year and must be **used or lost**. Employees who leave AIP before the end of the calendar year will be expected to repay all unearned Personal days advanced to them.

3.3 Tardiness

Employees are expected to be at work and report on time. If you are going to be late, contact your supervisor to state the reason for your tardiness and when you expect to arrive at work. Failure to contact your supervisor and/or excessive tardiness or absence is not acceptable conduct and may result in disciplinary action up to and including termination.

3.4 Vacation Days

All regular Employees who work for the Company on a full-time basis for at least ninety days from their date of hire are eligible to begin to accrue vacation days. All regular employees are entitled to ten (10) paid vacation days per year in their first three (3) years of employment. Vacation will begin to accrue on the 1st of the month following your initial ninety day period of employment at a rate of 0.833 days per full calendar month. After completion of your 3rd full employment year, vacation will be accrued at 1 day per full calendar month or twelve (12) days per year. After completion of your 5th full employment year and thereafter vacation will be accrued at 1.25 days per full calendar month or fifteen (15) days per year. Vacation greater than three (3) business days, must always be coordinated with your supervisor at least ninety (90) days in advance. Otherwise, vacation must always be coordinated with your supervisor at least two weeks in advance. Generally, vacation requests for more than ten (10) consecutive business days will not be approved. In all cases, vacation should be entered into your Outlook calendar and recorded in TymeTRAK.

Vacation Planning

In order to make vacation planning easier for employees, all vacation days to be accrued by the end of the calendar year may be used at any time in that calendar year. For example: if you anticipate accruing seven vacation days by December 31, you may take these days during the same calendar year with the approval of your supervisor.

Once all vacation days for a calendar year have been used, any other days requested and granted will be without pay. Employees who leave AIP before the end of the calendar year will be expected to repay all unearned vacation days advanced to them.

Vacation days cannot be carried over to the following year. Any vacation days not used within the calendar year shall therefore be lost. A supervisor in writing may make exceptions to if a project that an employee is involved with has a delivery schedule, which prevents vacation being taken at a particular time.

3.5 Holidays

As part of the total benefits package, AIP provides employees with the following paid holidays:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day & the Friday following
Independence Day	Christmas Day

Paid holidays that occur on Saturday are observed on Friday; those occurring on Sunday are observed on Monday.

Employees who might be required to work on a Company recognized holiday due to operating conditions shall be provided comparable time off at a mutually convenient time.

3.6 Bereavement

When death occurs in the immediate family, regular employees are granted time off with pay up to two days for each such event, depending upon the requirements of the individual situation. This entitlement is supplemental to the employee's vacation and personal day entitlement as described herein. The immediate family includes spouse, child, parent, parent-in-law, sibling, and grandparent. Additional time off may be requested as unpaid leave if vacation days or personal days are exhausted.

3.7 Military Leave

Appliedinfo Partners, Inc. in accordance with all applicable federal laws grants this special leave.

3.8 Jury Duty

Regular employees are granted time off with pay up to a maximum of 10 days in any calendar year when required to serve jury duty. Appliedinfo Partners, Inc. will remove via payroll deduction any fees paid as jurors. The employee must provide verification of these fees to AIP immediately upon return to employment. Upon notification of jury duty, a copy of the subpoena notice must be submitted to your supervisor immediately. AIP reserves the right to request deferment from jury duty if employee absence would create Company hardship. If employees are released from jury duty early in the day, they should immediately report back into the office.

3.9 Family and Medical Leave Act Policy

Eligible Employees

Eligible employees may take a leave of absence in accordance with and subject to the eligibility requirements and other terms, conditions and restrictions of the Family and Medical Leave Act ("the Act"). Generally, an employee is eligible for time off pursuant to the Act if, as of the date the leave commences, he or she has been employed by the Company for at least 12 months, has worked for at least 1,000 hours during the 12-month period prior to the request for leave pursuant to the Act, and is employed at a worksite where 50 or more employees are employed within 75 miles of the worksite. For purposes of this policy, a leave of absence taken pursuant to the Act shall be referred to as "FMLA Leave."

Purposes of Leave

An employee shall be eligible for a total of 12 workweeks of FMLA Leave in any rolling 24-month period if the employee meets one or more of the following conditions:

- The employee is caring for a newborn or newly adopted child;
- The employee is caring for its own serious health condition; and/or
- The employee is caring for a spouse, parent or child with a serious health condition.

Terms and Conditions of Leave

Where FMLA Leave is foreseeable, employees must give 30 days' advance notice to the Company. If such advance notice is not practicable, or FMLA Leave is not foreseeable, employees must give as much advance notice as is practicable.

All employees must complete the FMLA Employee Notification form 30 days before employee goes on FMLA Leave. HR acknowledges FMLA Leave and discusses the FMLA Employer Acknowledgement Form within 2 days of receipt of the FMLA Employee Notification.

Before your request for FMLA Leave is granted, you may be required to provide medical certification regarding the same. In addition, the Company may require, at its expense, a second independent medical opinion.

During FMLA Leave, there shall be no loss of paid time off benefits (e.g., Vacation, Personal) or Seniority accrued prior to the commencement of FMLA Leave. However, no paid time off benefits or seniority shall accrue during FMLA Leave, except (i) during such time as the employee receives previously-accrued but unused paid time off benefits, or (ii) as provided below.⁶

Employees shall be ineligible for Holiday, Bereavement or Jury Duty Pay during FMLA Leave, except (i) an employee shall be eligible for Holiday pay during such time as the employee receives previously-accrued but unused paid time off benefits, or (ii) as provided below.¹

Generally, FMLA Leave is unpaid. However, while on FMLA Leave, the Company may require the employee to take accrued but unused Vacation and Personal Days. In addition, in connection with FMLA Leave taken due to the employee's own serious health condition, the Company may require the employee to take payments pursuant to the Company's Vacation and Personal Days Policies, subject to their respective eligibility requirements and other terms, conditions and restrictions. However, in no case may the employee receive more than 100-percent of his or her regular net pay (non-Overtime hours) when all sources of income are combined (including, if applicable, Workers' Compensation).

While on FMLA Leave, the Company will continue to pay health benefits for the employee, and such benefits will continue at the same level as if the employee was working and not on FMLA Leave, provided, however, that the employee settles for his/her premium before going on FMLA leave. For unplanned FMLA leave, employee must settle his/her premium within 30 days from start of leave, else

¹ As a narrow exception to the general rules set forth above, if an employee takes FMLA Leave on an Intermittent or Reduced-Leave Schedule, he or she shall accrue seniority as well as Vacation. Personal accrue during FMLA Leave on a pro rata basis. Such employees may also be eligible for pro-rated Holiday, Bereavement and Jury Duty pay.

² To the extent permitted by the FMLA, the Company may deny restoration to the same or an equivalent position if the employee's position would have been eliminated (e.g., layoff) and/or changed had the employee remained continuously employed.

health benefits may be canceled, provided employee receives 15 days written notice that coverage will lapse.

FMLA Leave will not be granted for the purpose of allowing the employee to obtain employment elsewhere. Nor is the employee permitted during FMLA Leave to engage in employment which would be prohibited when the employee is not on FMLA Leave.

Return to Work

With the exception of certain “Key Employees,” as defined by the Act, an employee generally shall be entitled to return to the same or an equivalent position, if he or she returns to work before or immediately after exhausting his or her rights under the Act.² A key employee generally will be restored to the same or an equivalent position, if he or she returns to work before or immediately after exhausting his or her rights under the Act, unless restoration of the employee will cause substantial and grievous economic injury to the operations of the Company.^{2,3}

Before an employee may return to work after taking FMLA Leave due to his or her own serious health condition, the employee must produce medical certification establishing his or her fitness-for-duty.

Relation to Other Policies

An employee who has taken the maximum FMLA Leave to which he or she is entitled pursuant to the Act may be eligible for additional time off pursuant to the Company’s Vacation and Personal Days Policies, and subject to their eligibility requirements and other terms, conditions and restrictions. Conversely, in the event time off satisfies the requirements of the Act, requests for time off pursuant to the Company’s Vacation and Personal Days Policies may be designated by the Company as time off pursuant to the Act.^{4,5}

Additional Information

Beginning July 1, 2009, New Jersey State law will allow eligible covered employees up to six (6) weeks of Family Leave Insurance benefits. This program will run concurrently with FMLA, if applicable. It provides covered individuals with a monetary benefit, not a leave entitlement and does not establish the right of a covered individual to be restored to employment. Benefits are payable to covered employees from the New Jersey State Plan.

This benefit is 100% funded by employee contributions. Beginning January 1, 2009, employees will begin to pay for this benefit. The increase in employee deductions will be 0.09% of the taxable wage base in 2009 up to a maximum of \$28,900 (maximum contribution is \$26.01).

³ *The employee will be informed, at the time FMLA Leave is requested, if he or she is a Key employee, as defined by the Act.*

⁴ *Depending on the state in which the employee works, the employee may also be eligible for unpaid leave pursuant to state law. The employee will receive separate notice if it has rights in this area under state law.*

⁵ *The employee’s employment will terminate if he or she does not return to work at the conclusion of the maximum FMLA Leave permitted by the Company policy.*

Additional information with regard to the particular eligibility requirements and other terms, conditions and restrictions of the Family and Medical Leave Act can be obtained from www.nj.gov/labor or www.dol.gov⁶

3.10 Health Benefits

AIP makes a comprehensive package of health benefits available to all regular employees after completing the 90 day wait period, ending on the last day of employment. This includes **Hospitalization and Major Medical**.

FSA is open for enrollment within 120 days from date of hire, 30 days from a qualifying event or open enrollment at the beginning of the year.

Effectivity of Dental and Vision benefits start on the 91st day of employment, ending on employee's termination date. Also made available and end at the same time are Long Term Disability benefits and \$15,000.00 of Life Insurance at no cost to the employee.

Details on all benefits can be obtained from the HR Department

3.11 Retirement Plan (401k)

AIP has made arrangements for the retirement needs of its regular employees with ADP (the Provider) through a 401(k) Plan. This is a voluntary participation program that includes all the resources required to enable each employee to establish and maintain a qualified plan with minimal effort and expense. The employee, effective on the first of the month following the 90th day of employment, can contribute up to the limit set by the 401(k) Plan Document, and AIP at its discretion, contributes a matching percentage subject to a vesting schedule. (Please see HR for the current contribution match). The individual employee chooses the level of services to meet personal needs and the Provider issues detailed understandable statements reflecting all contributions and earnings. Authorization and enrollment forms are available from HR along with further information.

3.12 COBRA Benefits

Cooperating with the mandate of the federal government's Consolidated Omnibus Budget Reconciliation Act, Appliedinfo Partners, Inc., provides departing employees the option for continued medical and dental coverage upon termination of employment. At their own expense, departing employees may choose to continue enrollment in the Company's Health Care Plan. For continuation in this plan, paperwork must be completed. Specific details and additional information are mailed to employees upon departure by an outside administrator.

3.13 MISCELLANEOUS

Electronic Communications

Internet and phone access is only allowed for work-related matters. Personal usage of electronic communications, such as, without limitation, the Internet, telephone, TV shows/movies on devices, electronic mail and/or facsimile machine should be limited. Pornographic viewing and downloads are strictly prohibited. The Company reserves the right to deduct personal time from the employee for all non-approved usage of the above means of communication. The Company also reserves the right to bill the employee for any and all charges incurred by the employee for personal long distance telephone calls or personal long distance facsimile transmissions.

⁶ *Nothing in this policy shall be deemed to waive any rights which either the Company or any of its employees may have under the Act.*

Email Policy

Employees should use email for business purposes only. The Company has established quotas limiting the amount of space that each employee can use to store emails, as such, emails received in your mailbox should be filed in applicable folders (public, customer, etc.) on the shared drive. Other emails not stored on the shared drive should be deleted or archived appropriately. Employees are only authorized to send email to individual recipients, use of company distribution lists (_AIP) is strictly prohibited unless approved in writing by the President or CEO. This includes sending good bye messages upon termination. All customer data should not be sent outside our company via email or other electronic media unless if it is approved by your manager or under our customers' direction.

Computer Network

Only computer software that is approved by a supervisor and related to Company business shall be installed on a Company computer. All computer software shall be scanned for computer viruses prior to installation. Only Company computers may be used to access the Company's network environment. For additional information, refer to *AIP_Cybersecurity_Manual.pdf*, Section 7.

Conference Rooms

Company conference rooms may be used for client and internal meetings by staff following the reservation procedures found in MS Outlook.

Management and employees requesting conference rooms are responsible for set up and clean up, this includes turning off projectors when finished.

Housekeeping

Office areas, including but not limited to the office, lunch room, bathrooms, conference room, storage rooms and lobby area shall be kept clean and neat at all times. Each employee is responsible for keeping his or her work area neat and clean.

Quiet Environment

All conferences, meetings, excited discussions, loud phone conversations, etc. shall be conducted in the conference room or an area other than the lobby or other public area of the main office. No loud and/or disruptive music shall be played in the office.

Severe Weather Policy

AIP will make every effort to maintain normal work hours even during inclement weather.

Provisions:

- a. Prior to normal starting time, when AIP President announces that office will be closed due to inclement weather; all fulltime exempt employees have the option to work from home, after consulting with their supervisor. Employees must clock actual worked hours in TymeTRAK for that day.
- b. If work from home is not an option, employee has to work with their supervisors how to complete one's 40 hours work week in that particular week. If employee has available paid leaves, he/she may choose to utilize them after informing their respective supervisor.
- c. On days when weather conditions worsen as the day progresses, AIP may decide to close early. In such cases, a decision and an announcement will be made at AIP. Employees will be expected to remain at

work until the appointed closing time. If the employee decides to leave earlier than the appointed closing time due to expected unsafe road conditions, he/she may do so after informing his/her supervisor and advising if he/she chooses to: a.) continue working from home; b.) apply the hours as leave; c.) make up his/her hours on another day.

4. Traveling On Company Business

4.1 Tips

The policy of AIP on tips in restaurants, for taxis, etc. is that no more than the standard 15% shall be reimbursed. Tips for delivery orders are capped at \$3, \$5 and \$8 for order values up to \$50, \$100 and \$200 respectively. The balance of tips exceeding these guidelines will be not reimbursed.

4.2 Seat Belts

Because of insurance regulations for the personal safety of all employees as well as insurance regulations, all vehicle occupants using company vehicles or personal cars for company business purposes must wear seat belts.

4.3 Cellular Phones and other mobile devices

While driving on company business, use only hands-free speakers for cellular phones and mobile devices. Do not drive and text simultaneously, and follow all local traffic laws.

4.4 Travel

When traveling on company business, you are entitled to a reimbursable mileage allowance of \$.51/mile, which includes costs for gas, oil, insurance, and other maintenance items.

Employees are encouraged to use public transportation such as trains, subways and buses whenever possible. Also, your supervisor must approve car rentals and taxi rides in advance.

During business travel, a maximum daily allowance of \$35 is permitted for breakfast, lunch, and dinner including tips. Verifying receipts must be submitted for reimbursement. AIP employees traveling together on business should pay for their meals individually.

Employees of the same sex must share hotel rooms, unless otherwise approved by President.

Employees should use their own credit cards for long-distance calls, phone cards and low-cost carriers and **should not use hotel telephones**. The employee is responsible for anything exceeding these guidelines.

Non-business activities such as movies, sightseeing, etc., will be the expense of the employee. All reimbursement requests must be submitted on AIP Expense Report Form to the Accounting Department no later than the 10th of the month following the date of incurrence.

5. Rules of Conduct

5.1 Personnel Records

Your employment record begins with your employment application and is kept in a permanent, confidential file. Performance Reviews, promotions and other matters that affect you are recorded in your personnel folder for future reference. The HR office must always have:

- Unexpired copies of necessary documents that establish both identity and employment eligibility

- Your current address & telephone number
- Your marital status & changes in your dependent status
- Your correct beneficiary for Life Insurance benefits
- Your correct Social Security number

It is absolutely vital that any change in this data be immediately reported to the HR Department. Other data, such as educational accomplishments, should also be reported since they may be factors in consideration for future promotional opportunities. Appliedinfo Partners, Inc. will not release information to any agency without your written permission except verification of your employment.

5.2 Business Conduct

AIP has a reputation for adherence to the highest principles of fairness, honesty, and integrity. Since it is the employees who are the source of this favorable reputation, it is vital that we maintain the highest standards of conduct in all activities. **These standards must be such as to avoid even the appearance of impropriety to those with whom we deal and to the public at large.**

5.3 Dress Code

Employees of AIP have the option of a Business Casual dress code. Business Casual provides the opportunity to dress less formally, but still keep a professional appearance.

Appropriate business casual dress for **men** includes: dress slacks, "Dockers" style slacks, sports shirts, polo shirts, and sweaters. Loafers are examples of appropriate footwear.

While we do not want to rule out blue jeans, they should not be ragged, have holes or be visibly frayed or dirty.

Examples of **inappropriate men's** attire include: flip flops, novelty tee shirts (those with printed writing, slogans, numbers or pictures that might be interpreted as offensive by others), sweatshirts, sweatpants, tank tops, cropped tops, and hats.

Appropriate business casual attire for **women** includes: skirts, which are no shorter than 3 inches above the knee; blouses, sweaters, polo-style shirts, jumpsuits, khaki pants, Capri slacks which are neither too loose nor too tight, and which are not too faded, frayed or otherwise distressed. Boots, dressy sandals, and pumps are examples of acceptable footwear.

Examples of **inappropriate women's** attire are: novelty tee shirts (those with printed writing, slogans, numbers or pictures that might be interpreted as offensive by others), shorts, spandex pants, stretch pants, crop tops, low cut tops, tank or halter tops, sweatshirts, sweatpants, hats, sundresses which are backless or have straps less than 1 inch in width, leather pants, and flip flops. A reasonable standard of dress also rules out any extreme in dress, accessory, fragrances, or hair.

Whether an employee's attire is appropriate is at the sole discretion of AIP Employees who are deemed to be wearing something inappropriate may be asked to go home and change their clothes or face disciplinary action.

Employees who visit client sites should dress appropriately and must take into account the client's sensibilities. Male employees might need to wear ties. Female employees should dress in a more formal fashion.

5.4 Conditions of Employment

Many of our daily activities are governed by unwritten rules of personal conduct that are not always observed by others. Here at AIP, as a workplace society, we have developed certain written rules and regulations in order to continue to operate in a safe, orderly, and effectively productive manner.

Any employee who fails to abide by the rules and regulations will be subject to collective discipline or discharge. All offenses will be recorded on triplicate form with one copy to the employee, another to the supervisor, and the third in the employee personnel file. Although the employee may not agree with a disciplinary action, he or she must sign the form acknowledging that an action has taken place.

Depending upon position, additional standards may also apply, and will be distributed to employees by supervisors from time to time. The following list is not to be construed as exhaustive, nor a limitation on the corporate right of Appliedinfo Partners, Inc. to discipline or terminate its employees. Therefore, employees should readily consult with their supervisor if unsure what course to pursue in a given situation.

Depending upon the circumstances, failure to comply with these standards may, at the sole discretion of AIP, result in disciplinary action up to and including termination of employment.

1. Dishonesty, embezzlement, theft of information, time or physical material, inappropriate removal or possession of property or conviction of a crime
2. Immoral or indecent conduct
3. Misrepresentation either verbal or written, or falsification of Company documents, including but not limited to, employment applications
4. Insubordination, including but not limited to, refusal to perform work assigned as well as disrespectful conduct towards superiors, coworkers, suppliers, or clients
5. Use, possession, distribution, purchase, or sale of, or impairment caused by, controlled dangerous substances or alcohol on Company time or in Company facilities, or at Company work-sites
6. Harassment or impermissible discrimination against others, including but not limited to, coworkers, subordinates, suppliers, or client
7. Performing other than Company work during working hours
8. Sabotage, loss or damage of property, or merchandise of the Company, clients or coworkers
9. Unauthorized or improper use of Company equipment, including but not limited to, electronic or voice mail, computers, telephones, cell phones, postage, copy and facsimile machines; additionally, use of inappropriate social media to defame client, or another staff & etc.
10. Use of information obtained on the job for any non-job-related purpose, including but not limited to, malicious use of information, use for personal or financial gain, or use of inside information wherever it was acquired
11. Unauthorized access or divulgence of Company, employee, or client information or records to unauthorized personnel. This includes: discussing a client's plans, needs, or usage of Company systems with other clients, giving out customer or employee lists, telephone numbers, circuit numbers, passwords, or usage statistics; and making statements to or confirming statements of consultants or the press
12. Situations involving conflicts of interest or the appearance of impropriety: accepting gifts from or offering gifts to Appliedinfo Partners, Inc. suppliers, potential suppliers, or persons who make decisions about the Company; unauthorized employment or consulting or service as director or officer of other companies

13. Failure to project a positive and professional image, including but not limited to, failing to wear proper attire appropriate for position, or engaging in unprofessional conduct with or in front of clients
14. Disparagement of the Company, employees, or clients
15. Incompetence or inefficient or callous performance of duties, including failure to maintain proper work standards as determined by the sole discretion of AIP
16. Excessive absence or tardiness, or failing to promptly contact one's supervisor regarding absence or tardiness
17. Possession, use, or distribution of dangerous weapons such as knives, guns, explosives, or any other device that jeopardizes the safety and security of individuals and/or property of AIP. 18. Unauthorized absence from Company premises without permission, or job abandonment
19. Express violation of any other Company policy, procedure, or rule

5.5 Progressive Discipline

Employees will be on a Training & Development (T&D) period within 90 days from date of hire. T&D period ends automatically after 90 days unless the employee is under Progressive Discipline. Every employee has the duty and the responsibility to be aware of and abide by existing rules and policies. Employees also have the responsibility to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established. AIP supports the use of progressive discipline to address issues such as poor work performance or misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues.

Outlined below are the steps of our progressive discipline policy and procedure. AIP reserves the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

The following outlines T&D Employees' progressive discipline process:

- **Performance improvement plan:** Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may be placed on a performance improvement plan (PIP). PIP will last for 2 weeks. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, dismissal may occur.

The following outlines Non-T&D Employees' progressive discipline process:

- **Verbal warning:** A supervisor verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.
- **Written warning:** Written warnings are used for behavior or violations that a supervisor considers serious or in situations when a verbal warning has not helped change unacceptable

behavior. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning.

- **Performance improvement plan:** Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may be given a final warning or placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time not to exceed 60 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, dismissal may occur.

AIP reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and discharge.

6. Use of Property, Equipment and Vehicles

6.1 Property

No property of the Company whatsoever, including, but not limited to, stationery supplies, computer software, equipment, instruments and/or documents can be taken out of any office, warehouse or storage location of the Company without the Company's advance approval.

6.2 Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property of the Company, employees are expected to exercise all due care, perform any required maintenance, and follow all operating instructions, safety standards, and guidelines. Please notify your supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, unsafe use, operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

Any parking and moving violations are the sole responsibility of the employee using the company vehicle, regardless if it is work related or non-work related.

6.3 Authorization

Only employees that maintain a current driver's license shall be permitted to drive company vehicles. Employees are required to inform the Company of any suspension or revocation of driving privileges. If, in the Company's sole discretion, any employee has a poor driving record, that employee shall not be permitted to drive company vehicles.

Company vehicles are only available for company business. Personal use of Company vehicles is not permitted, except in an emergency.

Company vehicles are to be driven only by company employees.

EMPLOYEE ACKNOWLEDGMENT FORM

The employee handbook describes important information about the company, and I understand that I should consult the HR office regarding any questions not answered in the handbook. I have entered into my employment relationship with the company voluntarily and acknowledge that there is no specified length of employment. Accordingly, either the company or I can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to the company's policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the CEO and President of the company have the ability to adopt any revisions to the policies in this handbook.

Notice: At-will statuses of employees – all employees are employed at-will and may be hired or fired with or without cause. This employee handbook does not contain any promise of any kind to any employee, regardless of what the handbook says, the company promises nothing and remains free to change wages and all other working conditions for its employees without having to consult anyone and without anyone's agreement. The company continues to have absolute power to fire any employee with or without cause.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Please acknowledge by signing below that you have received and reviewed the attached employee manual that applies to every employee of the company. This is a strictly confidential document and is not to be removed from the premises.

I have carefully read and reviewed the attached employee manual:

Witness's Signature

Employee's Signature

Witness's Name
(typed or printed)

Employee's Name
(typed or printed)

Date: _____