



EMPLOYEE HANDBOOK

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PREFACE

This Employee Handbook is intended to assist new employees in becoming more familiar with VideoBank and be a reference guide for all employees. The handbook explains our personnel policies, benefits and the specific opportunities and responsibilities that exist for you within our organization. Changes, deletions or additions to this handbook will be made when necessary at the sole discretion of VideoBank and you will be informed of any changes or additions that are made.

The policies outlined in the handbook should be regarded as management guidelines only. VideoBank retains the right to make decisions involving employment as needed. This handbook is not a contract of employment and nothing contained herein is intended to create a contract of employment for any particular duration, or for any specific procedures.

This booklet also describes the current benefit plans maintained by VideoBank. Please refer to the actual plan documents should you have specific questions regarding a particular benefit plan. The employee handbook and other plan documents are not contractual in nature and do not guarantee any continuation of benefits.

This handbook is the property of VideoBank and is intended for your personal use and reference as an employee of VideoBank, Inc.

VideoBank 's PHILOSOPHY

VideoBank has identified three areas of key focus that are critical to the success of the corporation: Employee Productivity, Sustaining a Healthy Corporation, and Sustaining a Healthy Employee. VideoBank's most valuable resources are the employees.

VideoBank believes that the success of its corporate mission depends on the collective efforts of a diverse workforce made up of individuals committed to excellence in service and performance. In keeping with this commitment, VideoBank has established employment guidelines which:

- Emphasize the integrity of our company through a unified corporate effort;
- Recognize individual contribution at all levels and appreciate innovative effort and accomplishments, and;
- Encourage open communication and shared commitment to accomplish our corporate mission.

The basic principle underlying VideoBank 's philosophy, policies and procedures is one of mutual respect and shared responsibility. This can be achieved through effective and on-going communications. With that in mind, it is important that expectations for both VideoBank and its employees are clearly stated in order to achieve a positive and productive working relationship. The overriding principles as embodied in this handbook are to:

- Employ talented individuals whose creativity and imagination will support and contribute to achieving VideoBank 's mission;
- Communicate company standards and expectations;
- Value diversity;

- Assure equal employment opportunity and a workplace where relationships are based on mutual respect;
- Treat all employees in a professional, non-discriminatory manner;
- Provide safe, effective working conditions;
- Provide competitive salaries and benefits to attract and retain a talented and motivated work force.

EMPLOYMENT-AT-WILL

VideoBank abides by the doctrine of employment-at-will, which permits the company or the employee to terminate the employment relationship at any time, for any reason. Neither the policies contained in this employee handbook, nor any other written or verbal communications are intended to create a contract of employment or a guarantee of benefits.

The company has the sole discretion to add to, delete, or change any policy contained in this employee handbook except employment-at-will.

EQUAL EMPLOYMENT OPPORTUNITY

The company is committed to equal employment opportunity in accordance with all federal, state and local laws. We will not discriminate against employees or applicants for employment on any legally-recognized basis including, but not limited to: veteran status, race, color, religion, sex, marital status, national origin, physical or mental disability, age, creed, pregnancy, sexual orientation, ancestry, atypical hereditary cellular or blood trait, liability for service in the armed forces, or familial status.

IMMIGRATION LAW COMPLIANCE

VideoBank is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with VideoBank within the past three years, or if their previous I-9 is no longer retained or valid.

AMERICANS WITH DISABILITIES ACT

The company is committed to providing equal employment opportunities to otherwise qualified individuals with disabilities, which may include providing reasonable accommodations where appropriate. In general, it is your responsibility to notify the manager of the need for an accommodation. Upon doing so, your manager may ask you for your input or the type of accommodation you believe may be necessary or the functional limitations caused by your disability.

VideoBank may require additional information from your physician or other medical or rehabilitation professionals. VideoBank may also require that you see a medical doctor of its choice.

An employee's medical information is confidential. Disclosure of employee medical information is restricted to limited situations where a supervisor has a job-related reason to know it. Employees who disclose employee medical information without proper authorization will be subject to disciplinary action, up to and including discharge.

AIDS IN THE WORKPLACE

VideoBank will not discriminate against any employee on the grounds that an employee has AIDS, has tested positive for HIV or AIDS-related complex, or has been suspected of having AIDS. Such discrimination is not permitted in hiring, firing, promoting, demoting, transferring, job assigning, compensating or any other employment related decision.

In the event an AIDS-afflicted employee becomes disabled as a result of his/her disease, he or she will be treated consistently with our benefits policies.

ANTI-HARASSMENT POLICY

VideoBank prohibits harassment of any employee by another employee, supervisor or third party.

VideoBank prohibits harassment based upon race, color, creed, national origin, ancestry, religion, sex, age, disability, familial status, citizenship, sexual orientation, or any other legally protected status. In accordance with VideoBank's Anti-Harassment policy and procedures as outlined below, any employee who believes he or she is being harassed should follow the procedures outlined below.

Harassment of an employee will not be tolerated. Violations of this policy may result in disciplinary action, up to and including discharge. There will be no adverse action taken against employees who report alleged violations of this policy or who participate in the investigation of such reports.

Any employee who feels that she or he is a victim of sexual harassment must immediately report such actions in accordance with the following procedure. All complaints will be promptly and thoroughly investigated. Corrective action will be taken where necessary.

- Any employee who believes he or she is a victim of harassment should report the act immediately to their manager. If you prefer not to discuss the matter with your manager, you may contact any other member of management.
- The company will investigate every reported incident promptly. Any employee, supervisor or agent of the company who has been found to have harassed another employee may be subject to appropriate disciplinary action, up to and including immediate discharge.
- The company will conduct all investigations in a discreet manner. The company recognizes that every investigation requires a determination based on all facts in the matter. We also recognize the serious impact a false accusation can have. We trust that all employees will continue to act responsibly. Employees that provide false information may be subject to discipline, up to and including immediate termination, and such action shall not constitute retaliation.

- The reporting employee and any employee participating in any investigation under this policy has the company's assurance that no retaliation will be taken as a result of a harassment complaint.

CATEGORIES OF EMPLOYMENT

Probationary Period

Full-time and part-time employees are in a probationary period during their first 90 days of employment, measured from his/her initial date of employment.

VideoBank abides by the doctrine of employment-at-will, which permits the company or the employee to terminate the employment relationship at any time, for any reason. Neither the policies contained in this employee handbook, nor any other written or verbal communication are intended to create a contract of employment or a guarantee of benefits.

Full-Time Employees

Defined as regularly working a 40-hour workweek and are eligible for our benefits package in accordance with their length of employment.

Part-Time Employees

Defined as working less than 40 hours each week and are not eligible for our benefits package other than as described herein and statutory benefits, if any.

Statutory benefits are mandated by federal, state or local law and include Social Security, Worker's Compensation insurance and unemployment compensation insurance.

In addition to the above, employees are also categorized as "exempt" or "non-exempt".

Non-Exempt Employees

Pursuant to the Fair Labor Standards Act (FLSA) and applicable state laws, non-exempt employees are entitled to overtime pay for all hours worked in excess of 40 hours per week.

Exempt Employees

Pursuant to the FLSA and applicable state laws, exempt employees are those who perform administrative, professional, supervisory and managerial responsibilities. Exempt employees are not entitled to overtime pay.

PERFORMANCE REVIEWS

VideoBank believes that a performance appraisal system, which is based upon measurable results, establishes standards, improves performance, enhances personal growth and increases corporate productivity. Performance appraisals also provide an ideal opportunity for collaborative, two-way communication between supervisors and their employees. An annual performance review will be performed for each employee.

CONFLICTS OF INTEREST

Employees are expected to devote their best efforts and attention to the full-time performance of their jobs. Employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict between the employee's personal interest and the interest of VideoBank. A conflict of interest exists when the employee's loyalties or actions are divided between VideoBank's interest and those of another, such as a competitor, supplier or customer, unless at VideoBank's direction or with VideoBank's knowledge and approval. Both the fact and the appearance of a conflict of interest must be avoided.

Employees who are unsure whether a certain transaction, activity or relationship constitutes a conflict of interest should discuss it with their immediate supervisor for clarification.

The following guidelines do not attempt to describe all possible conflicts of interest that could develop. Some of the more common conflicts from which employees must refrain, however, include the following:

- Accepting personal gifts or entertainment from competitors, customers, suppliers or potential suppliers
- Working for a competitor, supplier or customer
- Engaging in self-employment in competition with VideoBank
- Using proprietary or confidential VideoBank information for personal gain
- Having direct or indirect financial interest in or relationship with a competitor, customer or supplier
- Using VideoBank's assets or labor for personal use without prior written approval from appropriate management
- Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to VideoBank
- Committing VideoBank to giving its financial or other support to any outside activity or organization
- Developing a personal relationship with a subordinate employee of VideoBank that might interfere with the exercise of impartial judgment in decisions affecting the company or any employee of VideoBank

A part-time employee may engage in outside employment, provided that he/she discloses this fact to his/her immediate supervisor in writing and that this outside employment does not interfere with the full performance of his/her work for VideoBank.

Failure to adhere to these guidelines, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment.

RECORDING YOUR TIME

The success of each employee is dependant on daily attendance at work, therefore daily attendance is required. Employees are required to maintain an accurate record of all time worked. All non-exempt employees must record their hours on time sheets and give them to their supervisor by the period-end day.

COMPENSATORY TIME

Compensatory time is allowable but only with senior management's approval.

PAYDAY

When payday falls on a holiday, employees normally will be paid on the last working day before the holiday.

Please review your paycheck for errors. If you find a mistake, report it to your supervisor immediately. This person will assist you in taking the steps necessary to correct the error.

GARNISHMENT/CHILD SUPPORT

When an employee's wages are garnished by a court order, VideoBank is legally bound to withhold the amount indicated in the garnishment order from the employee's paycheck. The company will, however, honor federal and state guidelines, which protect a certain amount of an employee's income from being subject to garnishment.

OVERTIME

There will be times when you will be asked to work overtime so that we may successfully meet the needs of the company. Your supervisor must approve all overtime in advance.

A day is defined as starting at 12:01 AM, and concluding at 11:59 PM of that same day.

A standard workweek is Monday through Friday, with Saturday and Sunday as scheduled days off. Daily office hours are defined as 8:00 AM to 7:00 PM. All full time employees are expected to work at least 8 hours per day within these hours of operations.

Non-exempt employees will be paid at a rate of time and one-half their regular hourly rate for hours worked over 40 in a week.

Exempt Employees are not eligible for overtime.

EMPLOYEE BENEFITS

The company has developed a set of employee benefit programs to supplement its employee's regular wages.

This handbook describes the current benefit plans maintained by the company. Please refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the benefit plan.

HOLIDAYS

Our company observes seven (7) holidays during the year. They are:

| | |
|------------------|---------------------------|
| New Year's Day | Memorial Day |
| Independence Day | Labor Day |
| Thanksgiving Day | Friday after Thanksgiving |
| Christmas Day | |

All full-time employees are eligible for paid holidays after 30 days of hire.

Holidays that fall during an employee's vacation will not be counted as vacation days taken.

You must work the scheduled workday before and after the holiday, in order to be paid for the holiday, unless you are absent with prior permission from your supervisor.

Full-time employees are ineligible for holiday benefits that accrue while on any leave of absence.

VACATION

Full-time employees are eligible for paid vacation time. Vacation time accrues at the rate of .833 days every two months. Full-time employees are eligible to take one week during the first year, two weeks each year for years 2 through 10 and three weeks of vacation only after their 10th year of employment.

Full-time employees are not eligible to take accrued paid vacation during their probationary period. Thereafter, full-time employees may use any amount of accrued vacation time, subject to the other provisions of the handbook.

An annual vacation schedule will be circulated at the beginning of each year. Vacation requests not submitted on the original schedule must be submitted in advance to an immediate supervisor and are subject to management approval. When possible, vacations will be assigned in accordance with employee requests, taking operating requirements into account. Generally, length of employment determines priority in scheduling vacation times.

Vacation pay will not be granted in lieu of taking the actual time off. Five (5) days of vacation may be carried over to the subsequent year. Any additional accrued vacation days at the end of the year will be forfeited.

Full-time employees who do not work at least 75% of the calendar year due to absence will not accrue vacation for the following year.

Eligible employees who have provided at least two weeks advance notice of their resignation will be paid for accrued but unused vacation upon termination, unless state law dictates otherwise.

Part-time employees do not accrue vacation days and are not entitled to paid vacations.

RELIGIOUS HOLIDAYS

In addition to the normal holiday schedule, employees may occasionally request time off in order to celebrate religious holidays. In recognition of the religious diversity of its workforce, VideoBank will accommodate such requests whenever possible. Time off for religious holidays will be charged to a vacation or personal day, if available, or may be unpaid.

SICKNESS

Full-time employees will receive paid sick leave at a rate of three (3) days during the initial calendar year of employment pro-rated for the number of months they are employed in that calendar year. Sick leave may be used for personal illness or for doctors' appointments with management approval or emergencies. A full time employee must contact his/her manager before 9am or before the start of a normal business day if he/she is not able to work due to illness.

Sick days may not be carried over to subsequent calendar years, nor will employees be paid for any earned but unused sick days upon termination.

Part-time employees do not accrue sick leave and are not entitled to paid sick leave.

PERSONAL DAYS

Full-time employees will receive paid sick leave at a rate of three (3) days during the initial calendar year of employment pro-rated for the number of months they are employed in that calendar year. Sick leave may be used for personal illness or for doctors' appointments with management approval or emergencies.

JURY DUTY

Full-time employees summoned for jury duty will be paid the difference between their normal rate of pay and any pay for jury duty for up to one week. Thereafter, full-time employees summoned for jury duty are granted an unpaid leave in order to serve.

All other employees summoned for jury duty are granted an unpaid leave in order to serve, except where applicable law dictates otherwise. Please make arrangements with your supervisor as soon as you receive your summons.

VOTING LEAVE

VideoBank believes that each employee should have the opportunity to exercise his/her right to vote in a local, state or federal election. All employees will be granted up to two hours of excused time in order to vote.

BEREAVEMENT

Full-time employees may take up to three (3) paid days off for the death of an immediate family member. Members of the immediate family include spouses, parents, brothers, sisters, children, grandchildren, grandparents and parents-in-law, and immediate stepfamily members.

Part-time employees are not eligible for bereavement pay.

Requests for bereavement leave should be made to your immediate supervisor as soon as possible. In addition, employees may use accrued vacation, if available.

LEAVE OF ABSENCE

Full-time employees who have completed one year of employment may be granted a leave of absence without pay, at the discretion of management.

Leaves of absence may not exceed 30 days and, if granted, are only used after earned vacation and personal days are exhausted. Benefits (except holidays) will continue to accrue during a leave of absence for full-time employees who have completed two years of employment.

VideoBank will make every reasonable effort to return an employee on a leave of absence to the same or similar job held prior to the leave of absence, subject to our business requirements.

MEDICAL INSURANCE

Full-time employees may enroll under a single, husband and wife, parent and child or a family contract for medical insurance 90 days from the date of employment. Information and enrollment forms may be obtained from your manager.

COBRA

Full-time employees and their dependents will have the opportunity to continue medical benefits for a period of up to 36 months under the provisions of the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) when group medical and dental coverage¹ for you and your covered dependents would otherwise end because:

- Your employment terminates, for a reason other than gross misconduct, or termination for cause.
- Your employment status changes due to a reduction in hours.
- Your child ceases to be a “dependent child” under the terms of the medical and dental plan.
- You become divorced or legally separated.

COBRA applies to dental insurance only if dental insurance is offered.

- You become entitled to Medicare.
- Your own death.

You are responsible for paying the premiums for this coverage. Your health coverage may cease if your premium payment is more than 30 days late. If your payment is more than 30 days late, we will send you a letter to this effect. If we do not receive your payment within 15 days of this letter, your coverage will cease.

In the event of divorce, legal separation, or a child's loss of dependent status, you or a family member must notify the plan administrator within 60 days of the occurrence of the event.

Management will notify the individuals eligible for continuation of their right to elect COBRA continuation coverage.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

Eligible employees may take up to 12 weeks of unpaid family/medical leave within a 12 month period and be restored to the same or an equivalent position upon their return to work.

To be eligible for family/medical leave you must have satisfied both of the following conditions:

- Worked for the company for at least 12 months and for at least 1,250 hours in the past 12 months; and
- Worked at a worksite that has 50 or more employees within 75 miles of another work-site at the time you request the leave.

Eligible employees may take family/medical leave for any of the following reasons:

- The birth of your child and to care for such child;
- The placement of a child with you for adoption or foster care and in order to care for the newly placed child;
- To care for a spouse, your child or parent ("covered relations") with a serious health condition; and
- Your own serious health condition that renders you unable to perform an essential function of your position.

All eligible employees will be required to submit any necessary medical documentation upon request by VideoBank. Any leave due to the birth and care of a child or the placement of a child for adoption or foster care, and the care of the newly placed child, must be completed within one (1) year of the date of birth or placement of the child.

If you request leave because of the birth, adoption or foster care placement of a child or for a covered relation with a serious health condition, any accrued vacation, personal days or family leave must be used first as part of your family/medical leave.

If you request a leave because of your own serious health condition, or to care for a covered relation with a serious health condition, any accrued vacation, personal or family leave or sick leave, if applicable, must be used first as part of your family/medical leave.

The substitution of paid leave time for unpaid time does not extend the 12-week leave period. Also, your family/medical leave may run concurrently with other types of leave.

During an approved family/medical leave, the company will maintain your health benefits under the same terms and conditions applicable to employees not on leave.

If paid leave is substituted for unpaid family/medical leave, the company will deduct your portion of the health plan premium as a regular payroll deduction.

If you elect not to return to work at the conclusion of a 30 day leave you will be required to reimburse the company for maintaining coverage during your unpaid leave. If you cannot return to work because of a serious health condition or because of other circumstances beyond your control you are not responsible to reimburse the company.

When spouses are employed by this company, they are entitled to a combined total of 12 weeks' leave: (1) for birth, adoption or foster care and in order to care for such a child: or (2) to care for a parent with a serious health condition. Each individual is entitled to 12 weeks' leave because of his/her own serious health condition or his/her child or spouse without counting leave time taken by the other spouse.

Leave due to a serious health condition may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. If the leave is unpaid, the company will adjust your salary based on the amount of time actually worked. In addition, while you are on intermittent or reduced schedule leave, the company may temporarily transfer you to an available alternate position that better accommodates your recurring leave and that has equivalent pay and benefits.

You must complete the appropriate family/medical leave forms. These forms are available from your supervisor.

MEDICAL CERTIFICATION FOR A SERIOUS HEALTH CONDITION

If you are requesting leave because of your own or a covered relation's serious health care condition, a health care provider must supply VideoBank with a medical certification as to the nature of the condition. Obtain a medical certification form from your supervisor. If possible, you should provide the medical certification within 15 days after you request leave. If you provide at least 30 days notice of your need for medical leave, you should provide the medical certification before your leave begins. If you do not provide the required medical certification in a timely manner, your leave may be delayed until the certification is provided.

The company, at its expense, may require an examination by a second health care provider designated by the company, if it reasonably doubts the medical certification you initially provide. If the second health care provider's opinion conflicts with the original medical certification, the company, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. The company may require subsequent medical

re-certification. Failure to provide requested certification within 15 days, if such is practicable, may result in delay of further leave until it is provided.

Tracking Your Leave

The 12-month period in which 12 weeks of leave may be taken will be tracked based on the first day of leave under the Family Medical Leave Act (FMLA).

Reporting While on Leave

If you take leave because of your own serious health condition or to care for a covered relation with a serious health condition, contact your supervisor on a prescheduled basis, regarding the status of the medical condition and your intention to return to work. In addition, you must give notice as soon as possible (within two business days if feasible) if the dates of leave change or are extended or initially are unknown.

Returning to Work

If you take leave because of your own serious health condition (except if you are taking intermittent leave), you must provide medical certification that you are able to resume work before you return. Obtain return to work medical certification forms from your supervisor.

Employees failing to complete the return to work medical certification form will not be permitted to resume work until it is provided.

Certain highly compensated or “key employees” may be denied restoration to their prior or equivalent position. Key employees are those employees who are among the highest paid ten percent of employees within 75 miles of the worksite. Denial is based on the following conditions:

- The denial is necessary to prevent substantial economic injury to the employer.
- The employer has notified the employee of this decision to deny restoration should the leave take place or continue and
- The employee elects not to return to work after being notified of the employer’s decision.

Extended Leave for Serious Health Condition

Leave taken because of your own serious health condition may be extended with 10 day’s advance notice, on a month-to-month basis, for a maximum of an additional 12 weeks upon (1) Written request to the company; (2) Proof that the serious health condition has continued; and (3) Approval by the company (which is subject to its business needs). If you do not return to work on the originally scheduled return date nor request an extension of the agreed upon leave with appropriate documentation, you will be deemed to have voluntarily terminated your employment with the company.

No Work on Leave

The taking of another job while on family or medical leave or any other authorized leave may lead to disciplinary action, up to and including termination.

SHORT TERM DISABILITY

All employees who have met the minimum earning requirements specified by state laws are eligible for short-term disability insurance. This insurance is designed to provide income for you when you are absent from work for more than seven calendar days due to non-occupational illness, injury or pregnancy-related disability.

The benefits are calculated as a percentage of your salary.

You must provide us with written notice including a doctor's certificate stating the nature of the disability and the expected day of return to work. Disability insurance information may be obtained from your supervisor.

If you qualify for a leave under the Family and Medical Leave Act, we will maintain health benefits under the same terms and conditions applicable to those employees not on leave. Otherwise, we will continue to provide medical insurance coverage for employees on authorized disability leave for the first 90 days. When the above period expires, you may continue your medical insurance coverage by making arrangements with your supervisor to pay the appropriate monthly premium in advance each month.

You must inform us when you are able to return to work, by providing a doctor's certificate stating that you are medically able to return to your normal duties. We reserve the right to require a physical examination by a physician of our own choosing prior to your resumption of duties.

If your leave is covered by the Family and Medical Leave Act, we will return you to the same or an equivalent position, consistent with our policy. Otherwise, we will make reasonable efforts to return you to the same or similar job as held prior to the disability leave of absence, subject to our staffing and business requirements. Your continued absence from work beyond your approved leave period will be deemed a voluntary termination of your employment.

WORKERS' COMPENSATION

On-the-job injuries are covered by our Workers' Compensation Insurance Policy. This insurance is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim. We ask for your assistance in alerting management to any condition, which could lead or contribute to an employee accident.

VideoBank will abide by all requirements set forth by the Worker's Compensation Act and any other applicable law. We will not take any adverse action against the employee in retaliation for filing a worker's compensation claim.

The amount of benefits payable to you and the duration of payments depend upon the nature of your injury or illness. You will be taken to a nearby urgent care center or hospital if you cannot be treated adequately on the company's premises.

401(K) PLAN

The 401K plan begins at the start of calendar year. All full-time employees who have been employed for 1 full year are eligible to enroll in our 401(K) Retirement Plan.

Further details of the 401(K) Plan are provided in an employee fact sheet that is available from your manager.

BONUS PLAN

Employees may receive bonuses from time to time. These bonuses are based on individual merit, VideoBank 's profitability and any other factor deemed significant by VideoBank. Whether or not bonuses are granted, and the amounts of any bonuses granted are determined at the discretion of the President.

ATTENDANCE AND PUNCTUALITY

Attendance and punctuality are important factors for your success within the company. We work as a team, and this requires that each person be in the right place at the right time. Excessive absenteeism and/or lateness may result in disciplinary action, up to and including termination.

If you are going to be late for work or absent, you must notify your supervisor before the start of your workday.

Personal issues regarding time away from work, such as doctor appointments or other personal matters should be scheduled during your non-work hours, if possible.

If you are absent for three days without notifying the company, it is assumed that you have voluntarily abandoned your position with the company, and you will be removed from the payroll and considered terminated.

WORK WEEK

Your work schedule may vary depending upon your job. Our normal business hours are 9:00 am to 6:00 p.m., Monday through Friday. Check with your supervisor if you have questions on your hours of work.

MEAL TIME

An unpaid meal break should be taken each day. Your supervisor is responsible for approving the scheduling of this time.

STANDARD OF CONDUCT

Nothing in this policy is designed to modify our employment-at-will policy.

Each employee has an obligation to observe and follow the company's policies and to maintain the proper standard of conduct at all times. If an individual's behavior interferes with the orderly and efficient operation of a department or the company, corrective disciplinary action will be taken, up to and including termination.

Disciplinary action may include a verbal warning, written warning, suspension and discharge. The company will determine the appropriate disciplinary action. The company does not guarantee that one form of action will necessarily precede another.

The following may result in disciplinary action up to and including discharge: violation of the company's policies or safety rules, insubordination, poor attendance, excessive lateness, unauthorized possession, use or sale of alcohol or controlled substances on work premises or during working hours, unauthorized possession or sale of weapons, firearms or explosives on work premises, poor performance, theft or dishonesty, physical harassment, sexual harassment or disrespect toward fellow employees, visitors or the members of the public. These examples are not all inclusive. We emphasize that a discharge decision will be based on an assessment of all relevant factors.

ELECTRONIC COMMUNICATIONS

VideoBank owns or in the future will own electronic and wire communications systems, including but not limited to:

- Computers (including desktop computers, portable computers, servers, local area networks, wide area networks, printers, software and removable storage media (e.g., floppy disks, CD-ROMs, hard disks));
- Electronic mail ("e-mail"), including attachments;
- Voice mail; and
- Internet and Intranet use,

Because these systems are or will in the future be owned by VideoBank and are to be used for business reasons, the contents of any communications transmitted or received through or stored within these systems are company properties and are subject to review by and disclosure to VideoBank. Furthermore, in some situations (e.g., litigation involving VideoBank) these communications may be subject to disclosure to third parties.

In order to assure that the systems are being used properly and in compliance with this policy, VideoBank, with or without notice, may randomly and at any time access, display, read, review, copy, delete or listen to any messages or communications sent, received, created, deleted or stored through or in its systems.

Occasional personal use of the systems is permitted. Occasional personal use means minimal and infrequent use that does not interfere with VideoBank's business or an employee's job performance. Any employee communicating personal messages should do so with the understanding that his or her messages or communications are subject to being heard or read by VideoBank and saved and deleted with work related material. You should not expect that any of these messages or communications would be confidential or private. VideoBank technology resources may not be used for personal commercial or profit-generating activities unrelated to VideoBank's business.

VideoBank may monitor Internet use, including reviewing the list of sites accessed by any individual terminal. Your Internet use is not private. No employee should have any expectation of privacy

regarding Internet usage. VideoBank reserves the right to inspect an employee's computer at any time or to use monitoring software in order to monitor Internet and computer use.

These systems may not be used to access or transmit material, which could embarrass, harass, or offend other persons. Additionally, VideoBank prohibits the use of its systems to communicate sexually offensive material or comments or anything that might offend or disparage another person because of his or her sex, race, sexual orientation, age, national origin, religion or disability.

Employees are not to use the system for solicitation of any kind, including the distribution of chain letters.

Employees have the responsibility to safeguard passwords and codes in order to protect proprietary and confidential business information. Employees must also take adequate measures to ensure that any other individual including other members of their household does not use their company account on the Internet.

No employee shall use the passwords or codes of another employee in order to gain access to that employee's electronic data, e-mail, voice mail, or Internet communications unless first authorized to do so by management or that employee. All passwords and codes used in connection with these systems are the property of VideoBank. No employee shall use a password or code that is not readily available to VideoBank at all times.

Only software purchased by VideoBank for its use may be installed on VideoBank computers. VideoBank may, at any time, conduct an audit of computers for installed software and related printed material that is not included on a then-current inventory of VideoBank authorized software. All unauthorized software will be removed and destroyed. In addition, employees may not post, download or otherwise misuse any copyright-protected material without the prior permission of the copyright owner.

For security reasons, employees accessing the Internet for business use must only do so through the VideoBank authorized connection and must not utilize any other connection paths to the Internet.

ACCESS TO PERSONNEL FILES

Upon written request to management, employees may review their personnel files. Inspection will be held on corporate premises in the presence of a corporate official. You will be permitted to review records related to your qualification for employment, compensation and disciplinary action with the exception of any letters of reference maintained by the company. If you disagree with the accuracy of any statement in the records and no correction can be agreed upon, you may submit an explanatory statement, which will be attached to the records.

Personnel files are the property of VideoBank.

SECURITY

VideoBank has a vital interest in protecting its employees, their property and the property of LHS Productions, Inc. Proper security depends on the cooperation of the workforce. All employees must observe good security practices. Employees are expected to keep proprietary and confidential information secure from outside visitors and all other persons who do not have a legitimate reason to see or use such information.

Accordingly, all employees are asked to comply with VideoBank's security regulations. Any breach of security should be reported promptly to your supervisor.

PROPRIETARY AND CONFIDENTIAL INFORMATION

Upon hire All employees must sign and agree to the VideoBank PROPRIETARY AND INFORMATION AND INVENTIONS Agreement.

TRAVEL EXPENSES

All employees will be reimbursed for reasonable travel expenses incurred for travel on Company business (other than commutation expenses). Your supervisor must approve all business travel in advance.

Employees whose travel plans have been approved should make all arrangements through the most economical means possible. When approved, the actual costs of travel, meals, lodging and other expenses directly related to accomplishing business travel objectives will be reimbursed by VideoBank. Employees are expected to limit expenses to reasonable amounts.

Expenses that generally will be reimbursed include the following:

- Airfare or train fare for travel in coach or economy class or the lowest fare available
- Car rental fees for compact or mid-sized cars only
- Fares for shuttle or airport bus services, where available, costs of public transportation or other ground travel. Taxi fares, only when there is no less expensive alternative
- Mileage costs for use of personal cars, only when less expensive transportation is not available (IRS approved reimbursement rate)
- Cost of standard accommodations in low to mid-priced hotel, motels or similar lodgings
- Cost of meals, no more lavish than would be eaten at the employees own expense
- Tips not exceeding 15 percent of the total cost of the meal or ten percent of a taxi fare
- Charges for laundry and valet services, only on trips of five or more days (personal entertainment and other items of a personal nature are not reimbursed)
- Charges for telephone calls, fax and similar services required for business purposes
- Charges for one personal call each day

Employees who are involved in an accident while traveling on business must promptly report the accident to the proper authorities and their immediate supervisor. Vehicles owned, leased or rented by VideoBank may not be used for personal use without prior approval.

With prior approval, employees on business travel may be accompanied by a family member or friend (at that employee's own cost), when the presence of a companion will not interfere with successful

completion of business objectives. Generally, employees are also permitted to combine personal travel with business travel, as long as time away from work is approved. Additional expenses arising from such non-business travel are the responsibility of the employee.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expense or any other business travel issues. Reports should include all receipts for expenses over \$25.

Abuse of this business travel policy, including falsifying expense reports to reflect costs not incurred by the employee, will result in disciplinary action, up to and including termination.

SEVERE WEATHER

Severe weather is to be expected during certain months. Although driving may be difficult at times due to severe weather, when caution is exercised, roads are normally passable. Except in cases of severe storms, employees are all expected to work regular hours. Time taken off due to poor weather conditions while the VideoBank remains open will be treated as a vacation day, a sick day or unpaid.

All call-in message line is available for employees to check on the closing or delayed opening of our offices.

DRESS POLICY

Employees are expected to maintain the highest standards of personal cleanliness and present a neat, professional appearance at all times.

Unless otherwise warranted, all personnel will dress in business casual attire. You are trusted to exercise good judgment in choosing what you wear to work. Management has the authority to determine that certain types of clothing are not suitable for the office.

The following are examples of what clothing is considered inappropriate for the workplace:

- Ripped/torn clothing
- Shorts
- Garments that expose the midriff
- Spandex

SMOKE-FREE WORKPLACE

VideoBank is committed to maintaining a healthy working environment for its employees. Therefore we do not permit smoking in our facilities.

TERMINATION OF EMPLOYMENT

In the event your employment with VideoBank ends, we ask that you provide your supervisor with at least two weeks advance notice. Your thoughtfulness will be appreciated and will be noted favorably should you ever wish to reapply for employment with the company.

Employees who are rehired following a break in service are considered new employees from the effective date of their re-employment for all purposes, including the purposes of probationary period.

It is the obligation of all employees leaving our employ to notify VideoBank if your address changes during the calendar year in which termination occurs so that your tax information will be sent to the proper address.

ACKNOWLEDGEMENT

I recognize that VideoBank reserves the right to modify or delete any of the policies in the employee handbook and to add additional policies at any time.

I understand that the employee handbook does not constitute a contract of employment and nothing contained herein is intended to create a contract of employment for any particular duration, or for any specific procedures.

I understand that I am free to voluntarily resign at any time and VideoBank can terminate or change the terms and conditions of my employment at any time, for any reason, with or without cause, notice or liability.

I understand and accept that the employee handbook supersedes any and all prior versions that have been issued by VideoBank , Inc. and that it is effective immediately.

Print Name: _____

Signature: _____

Date: _____