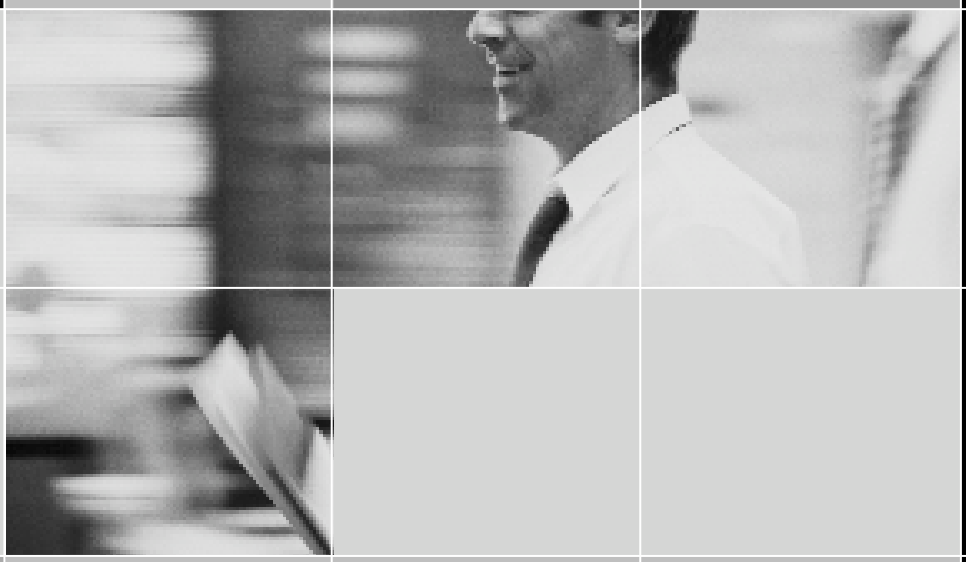
Basic Employment Policies



Employee Name:

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Welcome to ADP TotalSource, Inc.

ADP TotalSource, Inc. is a human resources management firm in a business popularly referred to as a Professional Employer Organization ("PEO"). Your Worksite Employer has enlisted the services of ADP TotalSource to help administer payroll, provide employee benefits and assist with human resources and risk management. Under this arrangement, both your Worksite Employer and ADP TotalSource have responsibilities with respect to your employment. As your PEO employer, we want to do our part to assist your Worksite Employer in making your job more fulfilling.

The PEO relationship will not change your employment relationship with your Worksite Employer. As before, all day-to-day operations and all organizational decisions will remain with your Worksite Employer. Employment agreements, severance agreements, expense reimbursement agreements, bonus or commission plans, non-competition agreements or any other agreement between you and your Worksite Employer ("Agreements") will not be affected. You are still subject to the terms of any such Agreements to the same extent that you were before ADP TotalSource's involvement. ADP TotalSource is not subject to any current or future Agreements directly between you and your Worksite Employer. Vacation, sick and paid time off ("PTO") are obligations of your Worksite Employer. ADP TotalSource will assist your Worksite Employer in the administration of vacation, sick and PTO plans/policies. All obligations for accrued and/or earned payments under your Worksite Employer's PTO plans/policies are the sole responsibility of your Worksite Employer. Upon the end of your employment with ADP TotalSource, ADP TotalSource is not responsible for payment of any accrued and/or earned vacation, sick, or other paid time off or any bonus, commission, severance or expense reimbursement pay that your Worksite Employer may have promised you in any Agreement between you and your Worksite Employer.

Your relationship with ADP TotalSource is that of an employee-at-will. Your job status with ADP TotalSource does not guarantee employment for any specific length of time. Your employment with ADP TotalSource is entered into voluntarily and both you and ADP TotalSource are free to end the employment relationship at any time, for any or no reason, with or without cause or advance notice. Your employment-at-will status with ADP TotalSource may be altered only with the written authorization of the President of ADP TotalSource in an express agreement signed by the President of ADP TotalSource and you. Please note that the reference to employment-at-will does not change your employment status with your Worksite Employer as it existed before ADP TotalSource. Subject to very few exceptions, employment in the United States is generally at-will. If the contractual relationship between ADP TotalSource and your Worksite Employer is terminated for any reason, you will no longer be an employee of ADP TotalSource. You will receive notification regarding the disposition of your final paycheck processed by ADP TotalSource and benefits administered by ADP TotalSource. If you have any questions about this, please feel free to contact your ADP Human Resources professional.

If your position requires that you meet additional pre-employment standards, such as a driver's examination, a background investigation and/or a pre-employment drug test and if you have been offered employment before any such investigation or test is completed, your employment is contingent on a satisfactory result on all required tests.

These Basic Employment Policies are a source of important information about your employment and are not intended to anticipate every situation about your employment. A more comprehensive policy manual may be available at a later date. While every attempt has been made to ensure that these policies are consistent with state and federal law, if an inconsistency arises the policy will be enforced consistent with the applicable law. With the exception of employment-at-will, these policies may be revised, or varied whenever ADP TotalSource determines that such action is warranted. These policies are not an employment contract, express or implied, nor a promise of specific treatment in any given situation.

Equal Employment Opportunity Policy

Both ADP TotalSource and your Worksite Employer are equal employment opportunity employers and do not discriminate against any person because of race, color, creed, religion, sex, national origin, handicap, disability, age, genetic information or any other characteristic protected by law. This nondiscrimination policy extends to all terms, conditions and privileges of employment as well as the use of all company facilities, participation in all company-sponsored activities, and all employment actions such as promotions, compensation, benefits and termination of employment.

All employment practices and activities are conducted on a non-discriminatory basis. Reasonable accommodation is available to all qualified individuals with a disability unless to do so would present an undue hardship. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or their ADP TotalSource Human Resources professional. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of prohibited discrimination will be subject to disciplinary action, up to and including termination of employment.

Harassment/Sexual Harassment

ADP TotalSource and your Worksite Employer are committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive or disruptive, including sexual harassment.

Harassment of any employee based on any protected status (e.g., race, color, national origin, sex, religion, age, physical or mental disability or any other personal attribute protected by federal, state or local law) is prohibited. While it is not easy to define what is harassment, examples include verbal (including improper joking or teasing) or physical conduct that denigrates or shows hostility or aversion toward any employee because of his or her protected status. Sexual harassment can include all of the below actions as well as other unwelcome conduct such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal or physical conduct of a sexual nature when: (1) submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment; or (2) submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; and (3) such conduct has the purpose or effect of substantially or unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive environment.

- Unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement
- requests for sexual favors or demands for sexual favors in exchange for favorable treatment
- obscene or vulgar gestures, posters or comments
- sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies
- propositions, suggestive or insulting comments of a sexual nature
- visual harassment such as derogatory cartoons, posters and drawings
- sexually explicit e-mail, or voice mail
- uninvited touching of a sexual nature
- unwelcome sexually related comments
- conversation about one's own or someone else's sex life
- conduct or comments consistently targeted at only one gender, even if the content is not sexual
- teasing or other conduct directed toward a person because of his or her gender

If you have been subject to or witnessed conduct prohibited by this policy, or if you otherwise believe that someone has violated this policy (whether or not that person is a co-worker, manager, vendor, client or customer), you should bring the matter to the attention of your supervisor or call your ADP TotalSource Human Resources professional or the Employee Service Center at 1-800-554-1802. If however, your supervisor is the person toward whom the complaint is directed or if you don't feel comfortable complaining to your supervisor, then take your complaint to the next higher management level and/or call your ADP TotalSource Human Resources professional or the Employee Service Center at 1-800-554-1802.

Your concerns will be promptly investigated. All harassment complaints will be kept confidential to the extent possible, consistent with the conduct of a full and fair investigation. Communications will be made to others only on a limited "need to know" basis. If you make a complaint under this policy and have not received a satisfactory response, you should contact the Employee Service Center at ADP TotalSource at 1-800-554-1802.

Upon completion of the investigation, all necessary corrective measures will be taken. These measures may include, but are not limited to training, counseling, warning, suspension, or immediate dismissal. Anyone, regardless of position or title, found through investigation to have engaged in improper harassment will be subject to discipline up to and including discharge. If the investigation is inconclusive regarding the culpability of the alleged harasser, ADP TotalSource and your Worksite Employer may still provide counseling or take other appropriate steps.

ADP TotalSource and your Worksite Employer prohibit any form of discipline or retaliation for reporting incidents of harassment in violation of this policy, pursuing any such claim or cooperating in the investigation of such reports.

Workplace Violence Prevention

ADP TotalSource and your Worksite Employer are committed to preventing workplace violence and to maintaining a safe work environment. The following guidelines have been adopted to deal with intimidation or other threats of (or actual) violence that may occur during business hours or on Company premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of the company unless contrary to state law.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public will not be tolerated. This prohibition includes intimidating conduct or threats even made in jest.

All threats of (or actual) violence, both direct and indirect, should be reported using the procedures described in the Harassment policy. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible. All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening.

ADP TotalSource and your Worksite Employer will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, employees may be suspended with or without pay, pending investigation. Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action, up to and including suspension or termination of employment.

Drug and Alcohol Use

ADP TotalSource and your Worksite Employer are firmly committed to providing a safe, healthy, productive and efficient work environment for our worksite employees. We have a vital interest in preventing accidents and injuries resulting from the misuse of alcohol or drugs. The unlawful or improper presence or use of drugs or alcohol in the workplace presents a danger to everyone. While on your Worksite Employer's premises (including company vehicles) and while conducting business-related activities off premises, you may not use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair your ability to perform the essential functions of the job effectively and in a safe manner that does not endanger yourself or other individuals in the workplace. The prohibition against consuming alcohol during the workday does not include the authorized and reasonable consumption of alcohol by an employee of legal drinking age at functions or activities sponsored by your Worksite Employer. An employee's illegal conduct involving drugs or alcohol during non-working times may also result in discipline, up to and including discharge. Under the Drug-Free Workplace Act, an employee who performs work for a government contract or grant must notify his or her Worksite Employer of a criminal conviction for drug-related activity occurring in the workplace. The report must be made within five days of the conviction.

If your Worksite Employer has a Drug Free Workplace Program, or if you are in a position requiring drug or alcohol testing under state or federal law, you will be subject to drug and alcohol testing. Violations of this policy will subject an employee to discipline, including suspension or termination of employment and/or required participation in a substance abuse program. Such violations may also have legal consequences.

Unannounced inspections for the presence of illegal drugs or unauthorized alcohol in your Worksite Employers' facilities and property such as but not limited to vehicles, desks, file cabinets and lockers may be conducted where there is reasonable suspicion to believe an employee may have or has violated this policy. Further, personal inspections of an employee and their personal property such as but not limited to vehicles, clothing, packages, purses, brief cases, lunch boxes, or other containers may be conducted where there is reasonable suspicion to believe that the employee has violated this policy.

Employees with questions or concerns about substance dependency or abuse are encouraged to use the resources of the Employee Assistance Program at 1-800-756-5792. Employees may also wish to discuss these matters with their supervisor or an ADP TotalSource Human Resources Professional to receive assistance or referrals to appropriate resources in the community.

Attendance

To maintain a safe and productive work environment, employees are expected to be reliable and to be punctual in reporting for scheduled work. Employees are also expected to take lunch/meal times and breaks within the time limits set by their supervisor. Absenteeism and tardiness place a burden on other employees and on the Worksite Employer. Poor attendance and excessive tardiness are disruptive and may lead to disciplinary action, up to and including termination of employment.

Address Change

You are required to report changes in address, phone numbers, number of dependents, or marital status to ADP TotalSource. It is your responsibility to inform ADP TotalSource immediately of any such changes. Employees may make these changes on the My TotalSource website. Alternatively, forms are also available to notify ADP TotalSource of your status change. Contact your Worksite Employer or the Employee Service Center at 1-800-554-1802 to request these forms.

Compensation

It is the practice and policy of ADP TotalSource and your Worksite Employer to accurately compensate employees and to do so in compliance with all applicable state and federal laws.

Review Your Pay Check

We make every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections necessary. Please review your pay check when you receive it to make sure it is correct. If you believe a mistake has occurred, or you have any questions please use the reporting procedure outlined below.

Non-exempt Employees

If you are classified as a non-exempt employee, you must maintain a record of the total hours you work each day. You must accurately record your hours in accordance with your Worksite Employer's time keeping procedures. Your time record must accurately reflect all regular and overtime hours worked; any absences, late arrivals, early departures, and meal breaks. Employees are prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you may perform but fail to report. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including discharge.

It is a violation of company policy for any employee to falsify or alter his or her or another employee's time. It is also a serious violation of Company policy for any employee or manager to instruct another employee to incorrectly or falsely report hours. If any manager or employee instructs you to: (1) incorrectly, or falsely under- or over-report your hours worked; or (2) alter another employee's time records to inaccurately or falsely report that employee's hours worked, you should report it immediately to your supervisor or the ADP TotalSource Employee Service Center at 1-800-554-1802.

Exempt Employees

If you are classified as an exempt, salaried employee, you will receive a weekly salary which will be paid out on your employer's regular pay schedule. This salary will be established at the time of hire or when you become classified as an exempt employee. The salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform. Unless your worksite employer informs you otherwise in writing, the salary is also designed to compensate you for all hours worked.

Under federal and state law your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary may be reduced for the following reasons.

- Full day absences for personal reasons.
- Full day absences for sickness or disability, if your Worksite Employer has a sickness or disability policy that provides for wage replacement benefits and you have exhausted or have not yet accrued enough leave time.
- Full day disciplinary suspensions for infractions of our written policies and procedures.
- Family and Medical Leave absences (either full or partial day absences).
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event you work less than a full week.

Your salary may also be reduced for certain types of deductions such as your portion of health, dental, or life insurance premiums; state, federal, or local taxes, social security or voluntary contributions to a 401 K or pension plan.

Your salary **will not be** reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness or disability.
- Absences for jury duty, attendance as a witness or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.

Please note, it is not an improper deduction to reduce an employee's accrued vacation, personal or other forms of paid time off from an employee's leave bank for full or partial day absences for personal reasons, or for sickness or disability if the employer has a sickness or disability policy that provides for wage replacement benefits.

Should you have any questions with respect to your Worksite Employer's policy, please contact your immediate supervisor or the ADP TotalSource Employee Service Center at 1-800-554-1802.

To Report Concerns or Obtain More Information

If you have questions about deductions from your pay, please contact your supervisor or the TotalSource Employee Service Center at 1-800-554-1802. If you believe you have been subject to any improper deductions, you should immediately report the matter to your supervisor or the TotalSource Employee Service Center. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person, you should immediately contact the TotalSource Employee Service Center or any other supervisor in the company with whom you feel comfortable.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including discharge of any employee(s) who violate this policy. In addition, we will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

Please note that where state law is more generous to employees, the state law will be followed.

Family and Medical Leave of Absence (FMLA Leave)

The Leave Policy

Employees of employers covered under the Federal Family and Medical Leave Act (FMLA) may be entitled to a leave of absence from the covered employer. An employer is covered under the FMLA if as of the date an employee gives notice of the need for leave, it maintained 50 or more employees on the payroll during 20 or more calendar workweeks (not necessarily consecutive workweeks) in either the current or the preceding year. This policy provides employees information concerning FMLA entitlements and obligations employees may have during such leaves. ADP TotalSource administers leaves under the FMLA for its Worksite Employers upon request. If employees have any questions concerning FMLA leave, they should contact the ADP TotalSource Shared Services Center at 866-400-6011, option 4.

Employees Eligible for FMLA Leave

Leave is available to "eligible employees". To be an "eligible employee", an employee must: (1) have been employed by a Worksite Employer covered under the FMLA for at least 12 months (which need not be consecutive); (2) have been employed by the Worksite Employer for at least 1250 hours of service during the 12 month period immediately preceding the commencement of the leave; and (3) be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

Employee Entitlements for FMLA Leave

Basic FMLA Leave Entitlement

The FMLA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12 month period. The 12 month period is determined based on a rolling 12-month period measured backwards from the date the employee's leave will be taken. If an employee lives in a state, county, or city which provides more generous benefits, he/she will be given those benefits. Please contact the ADP TotalSource Shared Services Center at 866-400-6011, option 4 for any local variations applicable to this policy.

Leave may be taken for any one, or for a combination, of the following reasons:

- To care for the employee's child after birth, or placement for adoption or foster care (Leave taken for this reason must be completed within the 12 month period beginning on the date of birth or placement);
- To care for the employee's spouse, son, daughter or parent (but not in-law) who has a serious health condition;
- For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care or childbirth) that makes the employee unable to perform one or more of the essential functions of the employee's job; and/or
- Because of any qualifying exigency arising out of the fact that an employee's spouse, son, daughter or parent is a covered military member on covered active duty or has been notified of an impending call or order to covered active duty status in the armed forces.

A **serious health condition** is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

Additional Military Family Leave Entitlement (Injured Servicemember Leave)

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a **covered servicemember** or **covered veteran** is entitled to take up to 26 weeks of leave during a single 12-month period to care for the service member with a serious injury or illness.

Leave to care for a covered servicemember or veteran shall only be available during a single-12 month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured servicemember.

A **"covered servicemember"** means a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. A covered servicemember would have a serious injury or illness if he/she has incurred an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member's office, grade, rank, or rating.

A **"covered veteran"** means a veteran who is undergoing medical treatment, recuperation, or therapy, for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of 5 years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy. A covered veteran would have a serious injury or illness if he/she has incurred a qualifying injury or illness in line of duty on active duty in the Armed Forces (or existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

Spouses Working for the same Client

Spouses employed by the same Worksite Employer are limited to a combined total of 26 workweeks in a single 12-month period if the leave is to care for a covered servicemember or veteran with a serious injury or illness, and to a combined total of 12 workweeks in a 12-month period if the leave is taken for the birth and care of a newborn child, for placement of a child for adoption or foster care, or to care for a parent who has a serious health condition.

Intermittent Leave and Reduced Leave Schedules

FMLA leave usually will be taken for a period of consecutive days, weeks or months. However, employees also are entitled to take FMLA leave intermittently (in separate blocks of time) or on a reduced leave schedule (reducing the usual number of hours the employee works each workday) when medically necessary due to a serious health condition of the employee or covered family member or the serious injury or illness of a covered servicemember. Employees will receive their current rate of pay for hours worked and time spent working will not count against their available FMLA leave.

Protection of Group Health Insurance and Other Benefits

During an approved FMLA leave, the employee's group health benefits will be maintained as if the employee continued to be actively employed. However, the employee must continue to pay the employee's portion, if any, of the group health plan premiums or the employee's benefits may be cancelled. Accrual of benefits such as vacation and paid time off will be suspended, unless otherwise indicated by the employee's Worksite Employer, during the duration of the leave. Accrual of seniority will also be suspended during the leave unless otherwise indicated by the employee's Worksite Employer.

Restoration of Employment and Benefits

At the end of FMLA leave, subject to some exceptions including situations where job restoration of "key employees" will cause the Worksite Employer substantial and grievous economic injury, employees generally have a right to return to the same or equivalent positions with equivalent pay, benefits and other employment terms. Employees will be notified if they qualify as "key employees", if there is an intention to deny reinstatement, and of their rights in such instances. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave.

Notice of Eligibility for, and Designation of, FMLA Leave

Employees requesting FMLA leave are entitled to receive written notice informing them whether they are eligible for FMLA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA leave, employees are entitled to receive written notice of: 1) their rights and responsibilities in connection with such leave; 2) the designation of leave as FMLA-qualifying or non-qualifying, if not FMLA-qualifying, the reasons why; and 3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

Leave may be retroactively designated as FMLA leave with appropriate written notice to employees, provided the failure to designate leave as FMLA-qualifying at an earlier date did not cause harm or injury to the employee.

Employee FMLA Leave Options

Provide Notice of the Need for Leave

Employees who take FMLA leave must provide timely notification of their need for FMLA leave. The following describes the **timing** and **content** of such employee notices.

Timing of Employee Notice

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give 30 days notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied. Employees must also follow the Worksite Employer's usual and customary notice and procedural requirements for requesting time-off or reporting absences when requesting FMLA leave, absent unusual circumstances.

Consent of Employee Notice

To trigger FMLA leave protections, employees must inform their immediate supervisor or the ADP Totalsource Shared Services Center at 866-400-6011, option 4, of the need for FMLA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA leave specifically, or explaining the reasons for leave so as to allow a determination that the leave is FMLA-qualifying. For example, employees might explain that:

- a medical condition renders them unable to perform the functions of their job;
- they are pregnant or have been hospitalized overnight;
- they or a covered family member are under the continuing care of a health care provider;
- the leave is due to a qualifying exigency cause by a covered military member being on active duty or called to active duty status; or
- if the leave is for a family member, that the condition renders the family member unable to perform daily activities or that the family member is a covered servicemember with a serious injury or illness

Calling in "sick," without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to any questions posed to determine if absences are potentially FMLA-qualifying.

If employees fail to explain the reasons for FMLA leave, the leave may be denied. When employees seek leave due to FMLA-qualifying reasons for which the FMLA-protected leave has been previously provided, they must specifically reference the qualifying reason for the leave or the need for FMLA leave.

Cooperate in the Scheduling of Planned Medical Treatment (Including Accepting Transfers To Alternative Positions) and Intermittent Leave or Reduced Leave Schedules

When planning medical treatment, employees must consult with the Worksite Employer and make a reasonable effort to schedule treatment so as not to unduly disrupt the Worksite Employer's operations, subject to the approval of an employee's health care provider. Employees must consult with the Worksite Employer prior to the scheduling of treatment to work out a treatment schedule which best suits the needs of both the Worksite Employer and the employee, subject to the approval of an employee's health care provider. If employees providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglect to fulfill this obligation, the Worksite Employer may require employees to attempt to make such arrangements, subject to the approval of the employee's health care provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered servicemember, the Worksite Employer may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, employees must advise the Worksite Employer of the reason why such leave is medically necessary. In such instances, the Worksite Employer and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting the Worksite Employer's operations, subject to the approval of the employee's health care provider.

Submit Medical Certifications Supporting Need for FMLA Leave (Unrelated to Requests for Military Family Leave)

Depending on the nature of FMLA leave sought, employees may be required to submit medical certifications supporting their need for FMLA-qualifying leave. As described below, there generally are three types of FMLA medical certifications: an **initial certification**, a **recertification**, and a **return to work/fitness for duty certification**.

It is the employee's responsibility to provide timely, complete and sufficient medical certifications. Whenever employees are requested to provide FMLA medical certifications, employees must provide the requested certifications within 15 calendar days after the request, unless it is not practicable to do so despite an employee's diligent, good faith efforts. Employees shall be informed if submitted medical certifications are incomplete or insufficient and employees will be provided at least seven calendar days to cure deficiencies.

Failure to provide requested certification within 15 days, if such is practicable, may result in delay of further leave until it is provided, and/or may subject the employee to discipline up to and including termination for taking unauthorized leave or for excessive absenteeism. Similarly, employees who fail to timely cure deficiencies will have FMLA leave denied.

With the employee's permission, the employee's health care provider may be contacted (through individuals other than an employee's direct supervisor) to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide authorization allowing clarification or authentication with health care providers, the FMLA leave may be denied if certifications are unclear.

Whenever it is deemed appropriate to do so, the right to receive timely, complete and/or sufficient FMLA medical certifications may be waived.

Initial Medical Certifications

Employees requesting leave because of their own, or a covered relation's, serious health condition, or to care for a covered servicemember, must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family or servicemember. If employees provide at least 30 days notice of medical leave, they should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

If there is reason to doubt initial medical certifications, employees may be required to obtain a second opinion at the Worksite Employer's expense. If the opinions of the initial and second health care providers differ, the Worksite Employer may, at its expense, require employees to obtain a third, final and binding certification from a health care provider designated or approved jointly by the Worksite Employer and the employee.

Medical Recertifications

Depending on the circumstances and duration of FMLA leave, employees may be required to provide recertification of medical conditions giving rise to the need for leave. Employees will be notified if recertification is required and employees will be given at least 15 calendar days to provide medical recertification.

Return to Work/Fitness for Duty Medical Certifications

Unless employees are notified that providing such certifications is not necessary, employees returning to work from FMLA leaves that were taken because of their own serious health conditions that made them unable to perform their jobs must provide a Return to Work Medical Certification form. The form must confirm that the employee is able to return to work and (if indicated on the Return to Work Certification Form) the employee's ability to perform the essential functions of the employee's position, with or without reasonable accommodation.

Employees should attempt to give at least one week's notice by mailing or faxing to his/her supervisor or the ADP TotalSource Shared Services Center at 866-485-1227 the Return to Work Medical Certification form stating that the employee is able to resume work. However, employees must make sure that this notice is received no later than 2 business days before the employee's return to work at the conclusion of the leave. This is important so that the employee's return to work is properly scheduled.

If the employee's FMLA leave resulted from a workers' compensation injury, the employee's health care provider may send an updated medical work status form to the employee's Case Manager as soon the employee's return to work date is known, even if less than two business days before the employee's return to work. Employees may obtain Return to Work Medical Certification Forms from their supervisor or the ADP TotalSource Shared Services Center. Job restoration may be delayed and/or denied until employees provide return to work/fitness for duty certifications.

Submit Certifications Supporting Need for Military Family Leave

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the active duty or call to active duty status of covered military members, employees may be required to provide: 1) a copy of the covered military member's active duty orders or other documentation issued by the military indicating the covered military member is on active duty or call to active duty status and the dates of the covered military member's active duty service; and 2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall also provide a copy of new active duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies due to a different active duty or call to active duty status of the same or a different covered military member.

When leave is taken to care for a covered servicemember with a serious injury or illness, employees may be required to obtain certifications completed by an authorized health care provider of the covered servicemember. In addition, and in accordance with the FMLA regulations, it may be requested that the certification submitted by employees set forth additional information provided by the employee and/or the covered servicemember confirming entitlement to such leave.

Substitute Paid Leave for Unpaid FMLA Leave

Employees must (unless the Worksite Employer specifically informs employees otherwise) use any accrued paid time while taking unpaid FMLA leave. The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leaves and the paid time will run concurrently with an employee's FMLA entitlement. Employees receiving paid disability benefits (including but not limited to workers compensation and state disability benefits) are not required to use accrued paid time while taking FMLA leave. However, upon request, the Worksite Employer may allow employees to use accrued paid time to supplement any paid disability benefits.

FMLA leave does not affect the employee's eligibility, if any, for short or long term disability payments and/or workers' compensation benefits under those insurance plans. Leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement.

For more information regarding the use of accrued paid time off, or eligibility for disability and/or workers' compensation insurance payments, employees should contact their Supervisor, the ADP TotalSource Shared Services Center, the ADP TotalSource Regional Benefits Administrator and/or refer to the plan documents (which are controlling).

Pay Employee's Share of Health Insurance Premiums

As noted above, during FMLA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless the employee is notified of other arrangements, whenever an employee is receiving pay during FMLA leave, the employee's portion of the group health plan premium will be deducted from the employee's paycheck in the same manner as if the employee was actively working. If FMLA leave is unpaid, employees must pay their portion of the group health premium. Employees should contact their immediate supervisor to make these arrangements.

If employees return to work owing any employer-made contributions to their insurance premiums to maintain coverage during the leave, reimbursement will be required through payroll deduction immediately upon return from leave as permitted by law. If employees elect not to return to work at the end of the leave period, reimbursement will be required for contributions to the health insurance premiums made to maintain coverage during the employee's leave, unless the employee cannot return to work because of a serious health condition or because of other circumstances beyond the employee's control.

Report Periodically Concerning Intent to Return to Work

Employees must contact the ADP TotalSource Shared Services Center at 866-400-6011, option 4 periodically in accordance with the instructions noted on the FMLA Eligibility Notice (e.g. on the first Tuesday and Thursday of each month) regarding their status and intention to return to work at the end of the FMLA leave period.

If an employee's anticipated return to work date changes and it becomes necessary for the employee to take more or less leave than originally anticipated, the employee must provide the employee's immediate supervisor or the ADP TotalSource Shared Services Center with reasonable notice (i.e., within 2 business days) of the employee's changed circumstances and new return to work date. If employees give the Worksite Employer or ADP TotalSource unequivocal notice of their intent not to return to work, the Worksite Employer's obligation to maintain health benefits (subject to COBRA requirements) and to restore their positions ceases.

Coordination of FMLA Leave with Other Leave Policies

The FMLA does not affect any federal, state or local law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights. Leave taken because of the employee's own serious health condition may be extended under certain circumstances. Please understand that reinstatement from an extended leave of absence (beyond 12 weeks of FMLA Leave) may not be guaranteed and may depend upon the availability of a vacancy for which the employee is qualified.

For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult your Worksite Employer's other leave policies in the employee handbook as applicable or contact your immediate supervisor or the ADP TotalSource Shared Services Center at 866-400-6011, option 4.

Questions and/or Complaints about FMLA Leave

If employees have questions regarding this FMLA policy, they should contact their immediate supervisor or the ADP TotalSource Shared Services Center at 866-400-6011, option 4. The Worksite Employer and ADP TotalSource are committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain, or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact the ADP TotalSource Shared Services Center immediately. Any FMLA complaints will be investigated and prompt and appropriate remedial action will be taken to address and/or remedy any FMLA violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations. .

Other Leaves of Absence and Time Off Policies

ADP TotalSource and your Worksite Employer will provide you with any leaves of absence required by law, such as jury duty or military leave in accordance with the particulars of those laws. If you are interested in your Worksite Employer's time off policies relating to vacation, sick leave, personal leaves of absence, etc., please refer to the policy manual for your worksite or ask your supervisor.

Maintaining Appropriate Insurance

For certain positions you may be required to maintain a valid, unrestricted driver's license. Further, you may be required to provide your Worksite Employer with a certificate of insurance issued on your vehicle in a minimum amount and/or maintain an acceptable driving record. If you have any questions about whether your position has these requirements, please contact your supervisor.

Safety

Some of the best safety improvement ideas come from employees. If you have ideas, concerns, or suggestions for improved safety in the workplace, you are encouraged to raise them with your supervisor or with another supervisor, manager, or your ADP TotalSource Human Resources professional. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of reprisal.

Each employee is expected to obey safety rules and to exercise caution in all work activities. You must comply with all occupational safety and health standards and regulations established by the Occupational Safety and Health Act and state and local regulations. You must immediately report any unsafe condition to the appropriate supervisor and/or your ADP TotalSource Human Resources professional. Violating safety standards, causing hazardous or dangerous situations, or failing to report or, where appropriate, remedy such situations, may be considered sufficient cause for disciplinary action, up to and including suspension or termination of employment.

If you believe that you are being exposed to a known or suspected hazard when working with toxic chemicals or substances, you have a right under the Hazardous Communications Law to know about such hazards through Material Safety Data Sheets (MSDS). Your supervisor will review the MSDS with you. If your supervisor does not have this information, your supervisor will contact ADP TotalSource's Risk Management Department. In addition, you will receive information on what hazardous substances are in the work area and regular training on the adverse effects of each toxic substance with which you come into contact in the workplace. You will be protected against discipline or termination that results from exercising employee rights under the law

On-the-Job Injury

ADP TotalSource, Inc. and your Worksite Employer provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

If you have a true emergency, have someone call 911 or take you to the nearest emergency care center.

Employees who sustain work-related injuries or illnesses should inform their supervisor as soon as medically possible. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

Neither the company nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by the company.

Problem Resolution

ADP TotalSource and your Worksite Employer encourage an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from supervisors and management. ADP TotalSource and your Worksite Employer strive to ensure fair treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with the company in a reasonable, business-like manner, or for using the problem resolution procedure.

If employees believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to bring those issues to management's attention using the same reporting procedure described in the Harassment policy. Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees and management develop confidence in each other. This confidence is important to the operation of an efficient and harmonious work environment.

Disciplinary Procedure

This section is to help you understand what is expected of you with regard to proper behavior, performance, and personal conduct. By complying with the standards contained in these Basic Employment Policies and any other policies, directives or rules established by your Worksite Employer, you will help to maintain a positive, safe work environment for you and your colleagues. To address those times when you have not lived up to positive standards, we may provide you with counseling, institute progressive discipline, or terminate your employment if your conduct warrants it. We have the discretion to decide whether counseling, progressive discipline or immediate termination is appropriate. Nothing in these policies should be construed as a promise of specific treatment in any given situation.

Violations of ADP TotalSource's and/or your Worksite Employer's policies and procedures are considered misconduct. Although it is not possible to identify every possible act which constitutes misconduct, the following is a partial list:

- Supplying false or misleading information when applying for employment or during employment.
- Reporting to work unfit or impaired; using, selling, possessing, distributing or being under the influence of alcohol while at work;
- using, selling, possessing, distributing or being under the influence of illegal drugs whether on company time or premises, or abusing prescription drugs.
- Failure or refusal to submit or consent to a required alcohol or drug test.
- Insubordination.
- Theft, misappropriation, destruction, or unauthorized use of company or fellow employees' property.
- Engaging in unethical or illegal conduct.
- Excessive absenteeism or tardiness.
- Disclosing confidential information to unauthorized people.
- Having a conflict of interest.
- Making or publishing false or malicious statements concerning an employee, supplier, client or ADP TotalSource or your Worksite Employer.
- Unauthorized removal of company property.
- Failure to observe safety rules.
- Damaging or destroying ADP TotalSource or your Worksite Employer's property due to careless or willful acts.
- Conduct that reflects adversely upon you, your Worksite Employer, or ADP TotalSource.
- Performance which, in your Worksite Employer's opinion, does not meet the requirements of the position.
- Other circumstances which warrant discipline.

Depending on the nature and severity of the misconduct as well as whether it has previously occurred, your supervisor and/or an ADP TotalSource Human Resources professional may investigate your actions. An investigation is designed to obtain all pertinent facts and may include interviewing you and other witnesses, reviewing documents, etc. Failure to cooperate with an internal investigation is grounds for disciplinary action up to and including discharge.

When the investigation is complete, your supervisor and/or an ADP TotalSource Human Resources professional will review the facts and the policies. At that point, ADP TotalSource and/or your supervisor will determine whether you should be disciplined up to and including termination. There are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps.

Progressive discipline may be used when your supervisor and/or ADP TotalSource feels it is appropriate. The system of progressive discipline gives you notice of deficiencies in performance and an opportunity to improve. When misconduct occurs, progressive disciplinary action may include but is not limited to the following: counseling and/or verbal warning, written warning, suspension with or without pay, and/or termination. By using employee discipline, we hope that most problems can be corrected at an early stage, benefiting the employee, the worksite employer and ADP TotalSource.

Conclusion

The Basic Employment Policies are provided to answer many of the questions you may have about working for ADP TotalSource. If you have a question that is not answered, or if you would like further information, speak with your immediate supervisor or contact your ADP TotalSource Human Resources professional. Communication and understanding are important aspects of any business. If you have questions about work schedules, use of machines and equipment, job duties, job training, safety procedures, proper reporting of hours worked, where to park your vehicle at work, dress code, requests for time off, or whom to call if you will be late or absent from work, review your employee handbook or contact your immediate supervisor. We encourage each employee to communicate concerns and ideas about the Worksite Employer's operations. If you have any questions about the contents of the Basic Employment Policies, please contact your ADP TotalSource Human Resources professional or the Employee Service Center at 1-800-554-1802.

Acknowledgment of Receipt of Basic Employment Policies

I understand that these Basic Employment Policies describe important information about ADP TotalSource and my Worksite Employer. ADP TotalSource has the sole discretion to alter these policies from time to time. I also understand that revisions to these policies may supersede or eliminate one or more existing policies and that all such changes will be communicated through official notices.

I understand that my employment with my Worksite Employer and ADP TotalSource is entered into voluntarily and that I, my Worksite Employer or ADP TotalSource are free to end the employment relationship at any time, for any or no reason, with or without cause or advance notice unless a separate arrangement (i.e. an employment contract) with the Worksite Employer indicates to the contrary.

I understand that these policies are neither a contract for employment, express or implied. I have had an opportunity to read and will comply with both the policies contained here and any revisions made to it. These policies supersede any and all prior editions.

I understand that should my employment end, for whatever reason, ADP TotalSource is not responsible for payment of any accrued and/or earned vacation, sick, paid time off, bonus, commission, severance or expense reimbursement pay that my Worksite Employer may have promised me. I further acknowledge that the responsibility, if any, to pay me any of the above amounts remains at all times with my Worksite Employer.

Employee's Signature	Date
Print Name	Last 4 Digits of Social Security Number
Worksite Employer	Company Code