

HARTE HANKS

Employee Handbook



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EMPLOYEE HANDBOOK ACKNOWLEDGMENT and AGREEMENT

WELCOME TO HARTE HANKS

As members of the Leadership Team, we want to take this opportunity to personally extend a warm welcome to you. We are glad you have joined our team.

At Harte Hanks, we have always emphasized that outstanding people are the key to our success. In our history, we have developed a great tradition and an excellent reputation for providing the very best services to our clients.

To help us achieve continued success, it is important that all employees are aware of and understand our policies and procedures. This employee handbook will familiarize you with the various aspects of working at Harte Hanks. We realize that not every situation can be covered in this handbook. If you have any questions, please talk to your manager. We are here for you -- communication is the key.

Thank you for taking this first step in knowing and supporting Harte Hanks.

ABOUT THIS HANDBOOK

This handbook was written to help you get a positive, successful start with Harte Hanks. It contains some general information that you need right away.

Not all of our policies and procedures are in this handbook -- this is a 'general guide'. Similarly, this handbook should not be considered as creating an implied or written employee agreement or contract.

This manual is not intended to create nor should it be interpreted to constitute, a contract, express or implied, between the company and you, its employee. Nothing in this handbook binds Harte Hanks contractually. Harte Hanks may enhance, modify, or delete any policy, procedure or benefit at any time. Please check with your local Human Resources department for information on how copies of the handbook are distributed and made available to employees.

Any updates and/or changes to policies and benefits will be distributed to all employees. You will be notified of all changes.

You should consult with your supervisor and/or Human Resources to get answers to questions you have about this handbook and Harte Hanks in general. Bulletin boards and Harte Hanks e-mails and letters will also provide valuable information to you.

All of our new employees are given an orientation to Harte Hanks. During this session you will be receiving more information about Harte Hanks and your responsibility as a team member.

It is your responsibility to read and make certain that you understand the contents of this handbook. Ask your supervisor and/or Human Resources about anything you do not understand.

This handbook is produced and distributed through the Human Resources Department within Harte Hanks.

It should be understood that your employment is at the discretion of Harte Hanks and that your employment can be terminated at any time, with or without cause and with or without notice. You should also be aware that no one at Harte Hanks has the authority to make verbal promises or statements that would change this employment relationship.

Unless otherwise noted, use of the pronouns 'he,' 'him' or 'his' in this handbook refers and applies to both the male and female genders and is not intended to discriminate or to reflect preferences based upon gender.

In the event that any federal, state or local laws are in conflict with the policy summaries contained in this handbook, the Company will comply with the prevailing and applicable regulations.

Congratulations and, once again, welcome to our team!

OUR VISION

1 Who We Are Here For **Our Clients** — To Exceed Their Needs

The people of Harte-Hanks develop and foster an “outside-in” approach to exceed the client’s business-building expectations. Putting the client’s needs first is the most strategic way we serve Harte-Hanks and its stakeholders.

2 What We Contribute **Value** — In A Direct Marketing Framework

With high-quality, solution-based service and a deep understanding of the business of direct marketing and the vertical markets we serve, we custom-combine solutions to create profitable, data-driven relationships between our clients and their customers.

3 Why We Are Better **Our People** — We Are Trusted Advisors

Our caring and talented people are trusted marketing partners who offer reliable advice and recommend profit-producing actions across our five solution areas. We enjoy a unique climate that fosters personal and professional growth, with an emphasis on teamwork and a make-it-happen attitude.

4 Where We Make It Happen **Worldwide** — All Competencies

We provide our U.S. and worldwide clients with practical strategy and implementation. We invest in our future by developing new markets and client-driven service offerings (“strategic initiatives”). We maximize return on advice.

OUR MISSION

TO BE A CUSTOMER-FOCUSED,
HIGH-PERFORMANCE GROWTH COMPANY

CULTURAL STATEMENT

Every company has a unique culture, a special personality that is developed and nurtured by the values, attitudes, beliefs, philosophy and operating style of its people. The following statements constitute the fundamental characteristics of the Harte Hanks culture.

Our Fundamental Responsibilities

We will continually strive to fulfill our responsibilities to our customers and other Harte Hanks stakeholders.

We will conduct all of our affairs ethically, judiciously and exercise our First Amendment role to inform people, help the communities we serve and assist in leading the Industries of which we are a part.

Our Operating Philosophy

Harte Hanks is committed to developing the leadership skills and technical aspects of its employees to promote their personal and professional growth.

The organization also strives to share its expertise with fellow service providers and the community-at-large in an effort to foster stronger communities.

Our Corporate Climate

We will seek to create and maintain a climate throughout Harte Hanks that is characterized by the following expressions:

| | |
|-------------------------------------|---------------------------------------|
| Mutual trust/honesty | Openness/candor |
| Participation/teamwork | Pride/commitment to excellence |
| Willingness to take risks/to change | Strong work ethic/high productivity |
| Sense of urgency/bias toward action | Individual responsibility for quality |
| Support of Harte Hanks culture | Support of Harte Hanks strategy |

Our commitment to excellence entails continuous evaluation of our service. We believe in quality service and treatment of both our external and internal customers with the utmost in respect, dignity, integrity, fairness, honesty, appreciation, and responsiveness to cultural diversity and lifestyles.

Philosophy of Commitment to Employees

Harte Hanks believes in creating a positive and innovative work environment that anticipates the changing needs of our employees.

We are committed to accomplishing this by fostering open communication, respect, and loyalty, while empowering employees, providing quality education, offering incentives and supporting our employees' physical, emotional, spiritual and ethical needs.

We firmly believe if we hold ourselves accountable and provide equal opportunities that Harte Hanks will succeed in laying the foundation for a positive work environment.

In Pursuit of Exemplary Service

Harte Hanks is committed to a process of continuous quality improvement.

Our Approach Toward People

We will respect the dignity of each individual.

We will select and promote without regard to race, creed, color or gender.

We will seek to provide everyone with clearly defined job responsibilities, challenging goals, satisfying work experience and relevant training opportunities.

We will seek to compensate and promote fairly, particularly recognizing individual job performance and potential for growth.

We will encourage individual participation; we will listen to one another.

Our Commitment to Quality

We will make every effort each day to meet or exceed the growing quality expectations of all of our external and internal customers.

We will accept individual responsibility for doing the right things right (as defined by our customers) all the time.

CODE OF BUSINESS CONDUCT AND BASIC ETHICS PRINCIPLES

There are a number of cornerstones to our Code of Business Conduct and Ethics. The foundation of the code consists of five basic standards of business and personal conduct.

(1) Honest and Candid Communication

We will be honest, trustworthy, truthful and accurate in what we say and write.

(2) Observance of the Law

We will faithfully obey all laws and regulations, both in letter and in spirit.

(3) Conflict of Interest

We will not permit personal interest to conflict or even appear to conflict with Harte Hanks, its customers or suppliers.

(4) Protecting Harte Hanks Assets

We will protect Harte Hanks property from loss, misuse and theft.

(5) Commitment to Quality

We will meet the highest quality standards and strive to do the right thing all the time.

Honest and Candid Communication

The Whole Truth

It is important to be honest and factual in what we communicate; it is just as important that we fully communicate and not leave anything unsaid that would influence the conclusions being drawn from this communication.

Fully Informed

It is the responsibility of all supervisors to communicate this Code of Business Conduct and Ethics to all employees reporting to him/her. All new employees should be informed within one month of hire and all others reminded at least once a year of the importance of adhering to the principles set forth in this code.

Accuracy

It is everyone's responsibility to prepare all Company business data and reports accurately and truthfully. Similarly, it is our responsibility to communicate to clients accurately and on a timely basis.

Candor

The Senior Management of Harte Hanks must be informed at all times of matters, whether real or imagined, which might adversely affect Harte Hanks' reputation.

PULSE All Employee Survey

Our employee survey is a tool to help the business create a working environment where employees can thrive by helping leadership understand how they feel about working at Harte Hanks. **PULSE: Employee Survey** is about getting employee feedback and acting on it. All employees with at least 4 months of service are eligible to participate in the annual kick off in the first quarter of the calendar year. Each quarter thereafter, a representative sample of employees (25%) will be surveyed across the organization. This gives each employee the opportunity to complete the survey once a year while also providing leaders with more frequent feedback to take relevant action on issues when they arise, rather than having to wait for 12-15 months in the case of an annual survey.

Job-Related Communication

Standard Terms and Conditions should accompany every job order. Clients should be fully informed, in writing when possible, confirming the specifications and progress reports.

Observance of the Law

Safety

We must comply with all safety laws and regulations including occupational safety and health regulations.

Anti-Trust

Compliance with anti-trust laws is the policy of Harte Hanks and the responsibility of Harte Hanks. This includes statutes regarding relations with competitors, customers and suppliers.

Political Contributions

No donations shall be made in any way to the political campaign of any candidate for public office.

Accounting

Compliance with the spirit and letter of accounting laws is the policy of Harte Hanks.

Employment

It is everyone's responsibility to comply with all laws related to equal opportunity, immigration reform, harassment and other such applicable laws.

Communication

Any work related issue or problem should be immediately communicated to the unit head, Human Resources or Legal Departments of Harte Hanks.

Conflict of Interest

Gifts, Gratuities

An employee or any dependent member of his/her family may not give or accept any gifts or special favors of more than a nominal value to or from anyone he/she is doing or negotiating to do business with.

Bribes/Kickbacks

Harte Hanks specifically prohibits offering, giving or receiving any form of bribes or kickbacks.

Outside Employment

While outside employment is not prohibited, it could lessen an employee's effectiveness or productivity and Harte Hanks must ensure that employee conduct in no way interferes with corporate interest.

Suppliers

Orders, contracts and commitments to suppliers for goods or services must be awarded on the basis of merit and without favoritism to legitimate vendors on the basis of lowest bid, quality, performance and suitability of the product/service.

Employees

An employee is prohibited from borrowing more than a nominal amount from people who report to or can be influenced by that employee without notification and approval from the unit head.

Personal Interests

An employee may not have personal or family interest in a competitor, supplier or customer, be employed by a competitor in any capacity or act as a consultant to a customer or supplier.

Protecting Harte Hanks Assets

Use of Materials/Information

It is Harte Hanks' intention to avoid use of Company materials, equipment, information or proprietary products for non-company purposes without approval of the unit head.

Removal of Proprietary Products

The removal from Harte Hanks facilities of client lists, files, software, data processing systems and related proprietary products is prohibited unless authorized by the unit head.

Proper Accounting

Harte Hanks abides by Harte Hanks accounting controls and record keeping policies and employees are expected to adhere to these controls and policies; accounting records must be complete, accurate and in reasonable detail. No unauthorized, false or artificial statements or entries may be made for any purpose.

Expense Reports

Employees who are authorized to incur business expenses are expected to report expenses on a timely and accurate basis and with appropriate documentation. Expense reports must be reviewed and approved by an employee's supervisor. Expense reports should be submitted within one week of the expense. Direct deposit is available.

Return of Property

When transferred, terminated or voluntarily leaving the employ of Harte Hanks, all credit cards, office equipment, files, computer program/systems, etc. will be the property of Harte Hanks unless written permission is received from the Senior Vice President.

Confidentiality

Employees will maintain confidentiality concerning customer and Harte Hanks information at all times in accordance with their non-disclosure obligations. Such confidentiality obligations extend beyond normal operating hours, the duration of a person's employment with Harte Hanks and apply to all communication mediums, including but not limited to public forums and social media.

Commitment to Quality

Customer Specifications

Harte Hanks has a responsibility to ensure that its services are designed to achieve the quality performance criteria specified by the customer.

Timing

Timing commitments must always be met and if there is a problem, open and honest communication between the client and senior management must always be maintained.

Value

Customers are entitled to receive full value for their money, with no short cuts or substitutions of services unless authorized by the customer.

Internal Communication

All employees must bring any lapse in quality to their supervisor's attention.

External Communication

It is important to stress the advantage of Harte Hanks to clients, not the disadvantages of competitors; no misrepresentations are acceptable.

Continuous Improvement

We need to do things better today than yesterday, and constantly be on the lookout for how we can prevent problems, fix problems and make improvements.

CODE OF EMPLOYER-EMPLOYEE RELATIONS

At Harte Hanks we expect certain things from one another -- this is our 'code of employer-employee relations'. We never want to forget our responsibility to:

- Deal with customers and suppliers in a professional manner;
- Perform assigned tasks in an efficient manner;
- Be punctual;
- Demonstrate a considerate, friendly, and constructive attitude toward fellow employees; and
- Adhere to the policies adopted by Harte Hanks.

In addition, Harte Hanks' Employee Relations Policy is to treat all employees honestly, equitably and objectively. We will strive to provide challenging opportunities, and to assist each person in achieving his/her employment goals within the Company.

We honestly believe that it is in the best interest of both Harte Hanks and the employees to continue to deal directly with each other, without third party intervention.

Our policy is to oppose vigorously any effort to unionize our employees within limits of existing labor laws.

Harte Hanks recognizes the need to create and maintain a positive work environment. Further, we believe that essential elements of this environment must include:

1. Professional supervision, which treats each employee with respect and dignity, recognizing their individual worth.
2. Effective channels of communication to identify and resolve problems.
3. The opportunity for promotion based upon individual performance and ability, with less emphasis on seniority.
4. A total compensation package comparable to that paid by competitors with superior pay for superior performance.

CHAPTER 1: EMPLOYMENT POLICIES

1.1 Human Resources Department

The Human Resources Department has responsibility for assisting and supporting supervisors and employees in activities related to recruiting, screening, hiring, training, counseling, disciplining, evaluating and compensating employees.

We encourage you to work closely with your supervisor when seeking answers and information about your employment. The Human Resources Department is always available to you and your supervisors to help you find answers to your questions and provide solutions to problems related to work. Do not let anyone discourage you from touching base with Human Resources.

Log into Harte Hanks HR Zone (HR.hartehanks.com) to make changes to any of the following personal information:

- Name
- Phone Number/Address
- Emergency Contact
- Marital/Family Status
- Benefits Beneficiary

Remember to notify your manager and Human Resources in writing immediately of any other factors which may impact your ability to perform your job or comply with our business code of conduct

1.2 'At Will' Employment

At Harte Hanks our employees are our number one asset. When Harte Hanks business and client needs change we must be responsive to these changes, otherwise we cannot compete or survive in the marketplace.

In order to remain profitable and competitive, we exercise our responsibility and right to maintain a workforce that is responsive and efficient. From time-to-time, we make decisions to increase or decrease the size of our workforce based on what is best for our business and our clients. This means that we cannot and do not make any promises or guarantees to continue employment for anyone. Either Harte Hanks or you may terminate the 'at will' employment relationship, at any time, for any or no reason and with or without notice.

No policy, procedure, practice, benefit or statement, whether made in this handbook or elsewhere, changes or modifies Harte Hanks' 'at will' employment policy. The Harte Hanks 'at will' employment policy can only be modified by a written statement signed by the individual employee and the President of Harte Hanks.

1.3 Promotions and Transfers from Within

We always like to give our employees opportunities for advancement and to broaden their skills. Although Harte Hanks makes an effort to promote from within, there is no guarantee that an opportunity will be awarded to an internal candidate. Consideration is based on qualifications and business needs.

An internal candidate may be eligible for promotion or transfer, assuming he/she is an employee who meets the following:

- Has been employed in current position for at least six (6) months as a non-exempt employee or twelve (12) months as an exempt employee, unless waived by current manager,
- Has not been placed on corrective action or a disciplinary program within the last six (6) months,
- Is in good standing with the Company,
- Maintains a good attendance record,
- Demonstrates good work habits,
- Reports to work in a timely fashion,
- Follows supervisor's instructions,
- Meets the expectations in employee's current position,
- Works safely,
- Is a 'team player',
- Meets the qualifications of the posted position, and
- Demonstrates an ability and desire to continuously improve performance on the job.

There are a few additional important items:

- Entry level, part-time, and temporary positions are often not posted.
- If an employee has been training for a position which becomes vacant, the position may not be posted for others to apply.
- Career opportunities are posted and may be viewed on Harte Hanks Connections and the Harte Hanks website (www.hartehanks.com/careers).
- If an internal candidate wishes to apply for a new position, he/she must apply through the Harte Hanks website and check the box marked "current employee".
- Before formally applying for a new position, an internal candidate MUST notify his/her current manager that he/she will be submitting an internal application for said position. It is encouraged that this notification also be submitted in writing to avoid any confusion.
- The internal candidate should work through his/her respective Recruitment Team member rather than independently contacting the hiring manager for the new position.
- To verify qualifications and performance, the hiring manager for the new position must contact the internal candidate's current manager prior to interviewing or having formal discussions with the internal candidate.

1.4 Dating Policy for Managers & Supervisors

While the company does not wish to interfere in the private lives of its employees, it feels that romantic relationships at the workplace cause distractions to both the employees involved and their co-workers, particularly when the perception of favoritism, real or imagined, is a possibility. The Company prohibits any management or supervisory employee from dating or otherwise becoming romantically/sexually involved with any employee who reports to him or her either directly or indirectly. Only the managers or supervisors who violate this policy may be subject to discipline, up to and including termination. The employee within their direct or indirect control is not governed by this prohibition and will not be disciplined.

In addition to this prohibition, employees are reminded that harassment in the workplace will not be tolerated. Any complaints relating to a dating relationship, or requests for dates which an employee believes to be harassing, should be reported pursuant to the Anti-Harassment/Inappropriate Workplace Behavior Policy. Employees who report such harassment will not be subject to retaliation or reprisal by the Company, whether or not the employee previously has been involved in a dating relationship that may violate this policy.

1.5 Employment of Relatives and Friends

Our employees are an important resource for helping us find qualified candidates. If you know of someone who might be interested and qualified for a job at Harte Hanks, let your supervisor know. If you refer an applicant who becomes successfully employed, you may be eligible for an employee referral bonus. Please see your supervisor to verify if you are eligible.

Because of the sensitive nature of our business, a member of an employee's immediate family may not be permitted to work within two reporting relationships of another relative. An employee will not be allowed to occupy a position that will allow one relative to influence the conditions of employment of another employee. This means that if two relatives are working at Harte Hanks, certain promotion, transfer, or other opportunities that might otherwise be available could be restricted. Additionally, Harte Hanks considers it inappropriate for supervisors or managers to have personal relationships with employees who report to them, directly or indirectly.

Family members of current employees are welcome to apply; however, in keeping with this policy, certain positions may not be available to them. In addition, relatives of senior managers or of employees who have regular access to payroll or other sensitive and confidential employee, client, or Company information are not permitted to work at Harte Hanks.

'Family member' includes an employee's spouse (including common law), sibling, parent, child, grandparent, grandchild, aunt, uncle, cousin, parent-in-law, brother and sister-in-law, stepparent, stepchild, and stepbrother and sister, and any other member of the employee's household.

If you become related to someone, as a result of marriage, while an employee at Harte Hanks, our rules do not change. We just ask that you and your pending 'new relative' communicate this information to Human Resources as soon as possible prior to the marriage. Unless one of the employees occupies a senior management or otherwise confidential position, and as long as

both employees are separated by at least two reporting relationships, no change will likely need to be made. If a change is required, the employees may decide which one of them applies for other open positions. No position is guaranteed, however, and placement into another position is not automatic. Use HR Zone (HR.hartehanks.com) to update marital status. As a reminder, for any change to your name, proof of a new legal name is required.

If an applicant fails to notify the Company of his or her relationship to another employee during the application process, he or she will not be considered for employment or will be terminated.

1.6 Employee Status

Our employees fall into several different categories or 'statuses', which are designated at the time of employment. Your status may affect the benefits you receive and whether or not you receive overtime for hours worked in excess of forty (40) per week:

Regular/Full-time:

Employees who have been hired to regularly work thirty (30) or more hours per week. Regular employees are eligible for all benefits when applicable service requirements are met.

Regular/Part-time:

Employees who are scheduled to work less than thirty (30) hours per week. Regular, part-time employees may be eligible for some benefits on a prorated basis.

Salaried/Exempt:

Employees who are excluded from specific provisions of federal and state wage and hour laws. These employees are not entitled to overtime pay because their salary is compensation for all hours worked.

Hourly/Non-Exempt:

Employees who are entitled to overtime pay under the specific provisions of federal and state laws.

Temporary/On-Call:

Employees who will work on an as needed basis and work up to forty (40) hours per week. Further, this individual is not a full-time regular employee and thus is not eligible for any company benefits.

Temporary/Seasonal:

Employees who are hired for a pre-established period, usually during peak workloads or for vacation relief. They may work a full-time or part-time schedule. Except for health insurance, employees in this status are not eligible for any company benefits. To meet business requirements and as incentive, temporary seasonal employees may receive discretionary days off with pay as determined by the location's senior manager, or his/her designee.

An employee's status may change, with management's advance approval, based on business needs. Compensation and benefit modifications, if necessary, will be reviewed at that time as well. When the status is no longer temporary or seasonal and this status change is confirmed in

writing, an employee is eligible for benefits that are applicable to the new employment status on the effective day of the change. View your status in HR Zone.

1.7 Equal Employment Opportunity

Harte Hanks is an Equal Opportunity Employer and makes employment decisions on the basis of merit and job-related criteria. We want to have the best available person in every job. Harte Hanks policy prohibits discrimination against any applicant or employee based on race, color, creed, gender identity, religion, marital status, age, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state, or local laws. It also includes a perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. This policy extends to every phase of the employment process and to all terms and conditions of employment, including: recruiting, hiring, training, promotion, compensation, benefits, transfers, layoffs, recalls, termination, and Company-sponsored programs.

Harte Hanks is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the operations of Harte Hanks and prohibits discrimination by any employee.

Harte Hanks is committed to providing reasonable accommodations to applicants and employees with disabilities to allow them to participate fully in the growth and success of our Company. Harte Hanks will endeavor to make reasonable accommodation, as required by law, to known physical or mental limitations of a qualified applicant or employee with a disability, unless the accommodation would impose undue hardship on the operation of our business.

If you believe you require some form of accommodation due to a disability, in order to perform the essential functions of your job, it is your responsibility to bring to the Company's attention your need for accommodation and to cooperate and participate in an interactive process with the Company's efforts to design and implement any necessary accommodation. All requests should be made first to your Manager and in writing. The ADA request form is available at HR Zone. Once an accommodation request has been received, a designated Company representative will work with you to clarify your needs.

It may be necessary to collect additional information or supporting documentation (including medical documentation) to fully understand your circumstances and the available option. If requested to do so, it is your responsibility to provide appropriate medical documentation to establish that you have a disability and that your disability necessitates a reasonable accommodation.

In selecting an accommodation, the Company will take into account your needs, documented recommendations from your treating health care provider, and the needs of the business. When there are two or more effective accommodations, the Company maintains the ultimate discretion to choose between effective accommodations. If reasonable accommodation is not possible for the job, Harte Hanks will consider the employee for referral to other jobs within the company for which he/she applies and may otherwise qualify.

1.8 Examinations and Skills Testing

Employees and job applicants may be tested to determine their job-related skills, qualifications, and suitability for certain jobs. Test results are not the sole criterion used to determine whether or not an applicant is qualified and suited for a job. Previous work history, job-related education, work experience, and the results of interviews, reference checks, and other factors are also considered when making decisions about employment, promotions and transfers.

1.9 Immigration Reform and Control Act Of 1986 (IRCA)

Harte Hanks is committed to employing only United States citizens, permanent resident aliens, and those foreign nationals who are authorized to work in the United States and complies with the Immigration Reform and Control Act of 1986.

As a condition of employment, each new employee must provide appropriate documentation of identity and eligibility to work, properly complete, sign and date the first section of the Immigration and Naturalization Service Form I-9. Before commencing work, newly rehired employees must also complete the form if they have not previously filed an I-9 with Harte Hanks, if their previous I-9 is more than three (3) years old, or if their previous I-9 is no longer valid.

1.10 Outside Employment

You may have a second job outside of Harte Hanks as long as you follow a few guidelines we have established:

- Notify your supervisor in writing if or when you accept a job outside of Harte Hanks that may impact your job performance/schedule at Harte Hanks or potentially be a conflict of interest.
- Employees may not work for Harte Hanks' vendors or suppliers, due to conflicts of interest.
- Employees may not work for our competitors - it may present significant conflicts of interest.
- Your other job cannot negatively impact your performance or production at Harte Hanks.
- If you have an outside job, you may not use Harte Hanks tools, equipment or information available to you through Harte Hanks.
- We cannot rearrange your work schedule at Harte Hanks to accommodate your other job.
- Harte Hanks must be your primary employer if you are scheduled to work more than twenty (20) hours per week.

Ask your supervisor if you need more information about what you should and should not do in these situations.

1.11 Re-employment

Former employees who leave Harte Hanks in good standing and who had a satisfactory employment record during his/her employment may be eligible for reemployment.

Following is a list of benefits showing when rehires are eligible for each benefit due to their reemployment based on the length of their termination period and contingent on being rehired in a benefits eligible status.

- **401(k) Plan** –If an employee is terminated for more than five (5) years and was not participating in 401k at the time of termination, he/she is eligible to begin contributions the first of the month following the waiting period applicable to all new hires. For all other rehires, eligibility does not need to be re-established for those who were eligible for 401k at the time of termination. Contributions may begin upon rehire. If the employee was eligible for the company match at the time of termination and rehired in a benefit status, the company match will begin the first of the month following rehire.
- **Medical/Dental/Vision** – If an employee returns to the company within 13 weeks of termination, he/she may re-enroll upon rehire for medical, dental and vision coverage and coverage will apply for the remainder of the year. Coverage will begin the first of the month following the rehire date. Employee may elect not to enroll upon rehire and the next eligible period for enrollment will be at open enrollment which is effective the following calendar year. If the employee returns to the company after 13 weeks of the termination date, the employee must satisfy the new hire eligibility waiting period.
- **Flexible Spending Accounts (FSA)** – If an employee returns to the company within 13 weeks of termination, he/she must re-enroll upon rehire and coverage will apply for the remainder of the year. Payroll deductions will occur on the first paycheck which follows the rehire date. Coverage will begin the first of the month following the rehire date. Employee may elect not to enroll upon rehire and the next eligible period for enrollment will be at open enrollment which is effective the following calendar year. If the employee returns to the company after 13 weeks of the termination date, the employee must satisfy the new hire eligibility waiting period.
- **Basic Life/Basic Accidental Death & Disability** – If an employee returns to the company within 13 weeks of termination he/she will have coverage reinstated effective the first of the month following date of rehire. If an employee is terminated for more than 12 weeks, the benefit will be based on the current term of employment and is not be bridged to include the first or any prior term of employment. The employee will be covered on the first of the month following the eligibility waiting period applicable for all new hires.
- **Salary Continuation** – If an employee returns to the company within 13 weeks of termination, the benefit will be based on last employment period (consecutive period worked prior to the last termination date). If an employee is terminated for more than 13 weeks, the benefit will be based on the rehire date and the employee must satisfy the eligibility waiting period; time worked at Harte Hanks is not bridged to include any prior term of employment.
- **Voluntary Life Insurance** – a rehired employee may enroll in the plan after meeting a new hire eligibility waiting period unless the employee elected to continue coverage after their prior termination from Harte Hanks resulting in no lapse in coverage. If coverage did

not lapse, the employee may begin payroll deductions for this benefit on the first of the month following rehire date.

- **Long-Term Disability** –If an employee returns to the company within 13 weeks of termination he/she will have coverage reinstated effective the first of the month following the date of rehire. If an employee is terminated for more than 13 weeks, the benefit will be based on the current term of employment and is not be bridged to include the first or any prior term of employment. The employee will be covered on the first of the month following twelve (12) months of re-employment.
- **Educational Assistance:** Employee must be re-employed for **six (6) months** prior to the start of a course to receive the benefit, unless approved otherwise by a senior leader.

Paid Time Off (PTO) and service awards are not bridged and do not include any prior terms of employment.

Additional information is available at HR Zone.

CHAPTER 2: COMMUNICATIONS AND TEAMWORK

2.1 Anti-Harassment/Inappropriate Workplace Behavior Policy

PURPOSE

Harte Hanks is committed to maintaining a workplace that is free of discrimination and harassment based on race, color, religion, age, sex, sexual orientation, gender identity, national origin, veteran status, disability, or any other protected status. Offensive or harassing behavior will not be tolerated, whether it is committed by or directed toward any other employee, job applicant, vendor, customer, supplier, subcontractor, consultant or visitor. This policy applies 24 hours a day, 7 days a week, on duty and off duty, while on company premises and while off company premises.

DEFINITIONS

Harassment:

Offensive or harassing behavior that is based upon an employee's protected class status, may include but is not limited to: offensive physical actions; written or spoken language and graphic communications; any type of physical contact when the action is unwelcome by the recipient; expectations, requests, demands or pressure for sexual favors; and slurs, jokes, comments, posters, cartoons and gestures that are offensive. Such behavior violates Harte Hanks' policy whether it is inadvertent or intentional, and whether it is in jest or otherwise.

Sexual Harassment:

Sexual harassment includes unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature that offends another person when:

- Submission to such conduct is an explicit or implicit condition of employment;
- Submission or rejection of such conduct is used as the basis of employment decisions;
- Such conduct, if severe or if it became pervasive could have the effect of unreasonably interfering with another person's ability to do his or her job, or creating an intimidating, hostile and offensive work environment.

Sex-oriented verbal 'kidding', 'teasing', joking or comments; foul or obscene language or gestures; offensive pictures or messages, including e-mail; subtle pressure for sexual activity; physical contact, such as patting, pinching or brushing against another's body; sexually oriented pictures, calendars, screensavers, or e-mails; requests for sexual favors, or other similar actions could lead to harassment if they are severe or pervasive in nature.

Dating and Workplace Relationships

Relationships involving employees of the Company can sometimes result in concerns about favoritism, conflicts of interest, morale problems, and even unlawful harassment. Public displays of affection within the workplace or while on Company business are generally to be avoided. When personal relationships have the potential to be problematic or disruptive, the Company may intervene. Employees in a relationship that comes to an end should note that both negative attention (such as hang up phone calls, hateful emails, or verbally abusive confrontations), and unwelcomed pursuits (such as sending flowers, giving gifts, repeated requests for continuation of the relationship) may result in disciplinary action under this policy, even if the conduct occurs off Company premises and during non-working hours. Regardless of the emotions involved, employees will be expected to conduct themselves professionally and treat one another with courtesy. This policy also applies to dating relationships between employees and the Company's customers and vendors. Cross reference Chapter 1.5.

RESOLUTION PROCESS

The Company is committed to providing a work atmosphere free of harassment and inappropriate workplace behavior. Managers are responsible for maintaining such a work atmosphere and for taking action to end such behavior if it occurs. Employees are responsible for respecting the rights of their co-workers by refraining from such conduct, and for promptly reporting to management any actual or perceived violations of this policy.

Do not assume that the Company is already aware of your situation. Even if others observe the conduct, they may not know that the particular conduct or comments are unwelcome. As an employee, it is your responsibility to bring your concerns to the Company's attention by following the reporting procedures in this policy so that the Company has an opportunity to investigate and respond to your concerns.

Any employee who believes he, she, or any other person is being subjected to harassing behavior is strongly urged to report it without delay to their supervisor. Alternatively, employees may report such conduct to the senior site leader.

If the person engaging in the harassing behavior is one of the persons listed above as a reporting person, simply telling the person to stop the harassing behavior is not enough. He or she may fail to report their own conduct and the problem may never be brought to the attention of Human Resources to be properly addressed. Therefore, in this situation, the employee must promptly report the conduct to the Human Resources Business Partner.

All complaints will be investigated promptly. Complaints will be kept confidential to the extent possible, consistent with the Company's need to conduct a thorough investigation. All employees are expected to cooperate in investigations. No employee will be subjected to any form of retaliation for filing a good faith complaint under this policy or for assisting in the investigation of any such complaint.

If the unwelcome harassment continues after an initial report, or if an employee believes that he/she is being subjected to retaliation in violation of this policy, another prompt report of the conduct must be made in accordance with the procedures in this policy so that the Company

can take appropriate action.

Any employee who (i) engages in behavior, which violates this policy, or (ii) retaliates against others in violation of this policy will be subject to disciplinary action, up to and including unpaid disciplinary leave and/or termination of employment.

Cross reference Chapter 4.12 for additional guidelines on Working Out Internal Problems with Harte Hanks.

2.2 Post Offer, Pre-Employment Drug Screening

All new employees must complete a post offer, pre-employment drug screen prior to starting work. If a positive result is confirmed, any offer of employment will effectively be cancelled, and the applicant may not be eligible to apply with the company again for a period of time.

2.3 Drug and Alcohol Testing

Harte Hanks is committed to maintaining a safe and productive work environment for its employees. The company recognizes that the use of prohibited drugs and alcohol by employees while they are on the job creates a safety hazard and interferes with efficient job performance. In an effort to assure that drugs and alcohol are not being used by our employees while on the job, all employees will be required, as a condition of employment, to adhere to the company policy on Drug and Alcohol Testing.

Employees will be required to submit to drug/alcohol testing by an authorized medical facility under the following conditions, unless prohibited by law:

1. After all work-related vehicular or other accidents if involved in any work-related incident resulting in injury to a person (whether or not an employee) or to property (whether or not it belongs to the Company).
2. Where there is a reasonable suspicion that the employee may be 'under the influence' of alcohol or prohibited substances.
3. Operators of trucks, vans, tractors, forklifts, other automated heavy machinery and/or potentially dangerous equipment, positions per client specifications and managers may be randomly tested several times per year.
4. Upon acceptance of a conditional offer of employment, all candidates are required to undergo a drug screen. Harte Hanks will rescind all offers of employment if the results of the drug screen are positive.
5. If a unit elects to conduct random testing.

In cases requiring testing, the supervisor will review the results of all tests and determine the appropriate action. Any test results clearly indicating that an employee was, while on the job, intoxicated and/or 'under the influence' of prohibited substances or alcohol, will result in appropriate discipline up to and including termination of employment. Refusal to submit to

drug/alcohol testing at the request of management constitutes a violation of policy and will result in termination of employment.

2.4 Criminal Offenses

Harte Hanks desires to provide a healthy, safe, and secure workplace and environment for everyone. Applicants who have criminal offenses, the nature of which may indicate a potential risk to our employees, Company equipment and proprietary or confidential information, our clients' inventory, our business integrity, or our drug free workplace, might not be considered for employment. Criminal offenses by an existing employee might result in the termination of that employee. Consideration of an employee's convictions will be consistent with applicable federal and state laws.

2.5 Open Door Policy

As a valuable member of the Harte Hanks team, you have an 'open door' to your supervisor or any member of the Harte Hanks management team and Human Resources.

In using our 'open door' policy, we ask only that you follow a few guidelines:

- Talk to your supervisor first -- schedule an appointment so that he/she can give you the time you need.
- If you feel, after meeting with your supervisor, that you would like to talk to someone else, please talk to the senior site leader or Human Resources Business Partner.
- If you are trying to report discrimination, harassment, or other activity that you believe is illegal or against Harte Hanks policy, you can skip these steps and go directly to Human Resources

2.6 Bulletin Boards

Several bulletin boards have been placed throughout your facility. In addition to job postings, you will find other employment related information on the facility bulletin boards.

Bulletin boards are for Harte Hanks business and must not be used to post personal items for sale notices, announcements, advertisements, etc.

2.7 Letters from Harte Hanks

Periodically, we will mail (or e-mail) letters and updated benefits information to your home or work location. Please take the time to read this information when you receive it.

If your address changes, go to HR Zone (HR.hartehanks.com) to update your human resources record. We will not release this information to anyone unless you give us permission or we are required by law to release it.

2.8 Corporate Security Policy

The Corporate Security Policy applies to all employees, contractors, consultants, temporaries, and other individuals performing work utilizing the Harte Hanks network (HHNET) or computer devices of Harte Hanks, including personnel affiliated with third-party vendors and partners. This policy applies to all equipment that is owned, leased or sponsored by Harte Hanks. In addition this policy applies to all data residing within the computer devices and equipment of Harte Hanks. A complete copy of the Corporate Security Policy may be obtained from the Harte Hanks Intranet (<http://intranet.hartehanks.com/>).

If you do not understand, or believe that there is some aspect of your job that prevents compliance with this policy, contact your manager/supervisor for clarification. As a member of the Harte Hanks team you have an additional obligation to be alert to additional security vulnerabilities and to alert relevant members of management when you identify a potential concern.

The policy addresses the following topics:

- Personal Computers and Laptops
- Data Security
- Software Licensing
- Technology Infrastructure
- Networks Access
- Internet Access
- E-Mail, Instant Messaging and other Collaboration Tools
- Remote Network Access
- Computer Viruses
- Passwords
- Telephone Systems
- Security Incidents

Topics will be added or removed as business requirements change.

Personal Computers and Laptops

- All workstations, including laptops, must be ordered through authorized information technology staff.
- Information technology staff must approve all software installations on company-owned equipment.
- Unattended workstations and laptops must be logged-out or have screen locks enabled.
- Company supplied equipment must be secured at all times when equipment is taken outside of a Harte Hanks facility.
- Employee owned person computing devices connected to the Harte Hanks network are subject to all acceptable use security policies and will be treated as Harte Hanks assets.

Data Security

- Your operating unit has unit-specific procedures for the proper control of data (company and customer) deemed sensitive and/or business critical. These procedures take into account relevant local, state and federal laws and regulations.
- At a minimum, sensitive data stored on computers will be protected by password access both at the user computer level and network access level.
- Sensitive data stored on removable storage devices, e.g. floppy disks, ZIP disks, USB tokens/pens, must either be encrypted using approved encryption and must be physically controlled and protected against loss, theft, and unauthorized access.
- Additional training and controls are required for personnel that have access to Sensitive Personal Information (SPI).
 - Limit collection and use of SPI.
 - Printed material containing SPI must be controlled at all time to prevent loss, unauthorized access or disclosure.
 - SPI must not be stored on desktops, laptops, personal digital assistants (PDAs) or removable storage devices unless the data is encrypted and approved by senior management.
 - SPI must be securely disposed or destroyed when no longer required or when requested by the client.

Software Licensing

- Company-provided software is to be primarily used for the performance of work and job related responsibilities.
- Harte Hanks performs audits of the software installed on company-owned computers without notification.
- Harte Hanks employees may use the software only in accordance with the license agreement.
- No unauthorized software may be added to any company personal computer. Computer software and related documentation must remain on company property.

Technology Infrastructure

- Only authorized information technology personnel may log into network/system infrastructure (servers, networks equipment, communication equipment) devices.
- No remote access tools or desktop emulators, such as Pc Anywhere or Virtual Network Computer, are to be installed or used unless approved by information technology management.
- Authorized information technology representatives must perform all installs, upgrades, moves and configuration changes of network/system infrastructure devices.

Networks Access

- All scanning, sniffing, or other interception of data or telephone networks (whether wired or wireless) is prohibited.
- Random or undirected browsing of network devices, directories or software is prohibited.

- Any network activity considered malicious may result in disciplinary action.

Internet Access

- Harte Hanks monitors all Internet usage when you are using a Harte Hanks provided or sponsored device, service or internet access. ***Your activities when using Harte Hanks sponsored device, service or internet access is not private, and you should have no expectation of privacy for such usage.***
- No user shall knowingly download from the Internet any material that is deemed generally as racist, sexist, fascist, pornographic or illegal.
- Incidental personal use of Internet resources is allowed, such as personal e-mail, as long as it is consistent with all other policies.
- Employees may not upload or share any software licensed to Harte Hanks or data owned or licensed by Harte Hanks without proper authorization.
- Chat rooms/groups are strictly prohibited on Company equipment, unless required to do your job and with the explicit approval of your manager.

E-Mail, Instant Messaging and other Collaboration Tools

Most likely you will have to use electronic mail (e-mail) and Instant Messenger (IM) and other collaboration tools. Technology such as this is made available to you to help you get your job done more efficiently and productively. If your use of technology becomes unrelated to your job and disrupts the productivity of yourself or others, you could be subject to corrective action and revocation rights to technology. We have established a few guidelines that you must follow in using e-mail. Please read these guidelines carefully. If you do not follow them, you could be subject to disciplinary action up to and including termination.

- Do not send messages which are disruptive, offensive to others, or harmful to morale;
- Do not transmit sexually explicit images, messages, or cartoons, or any messages which contain ethnic slurs, racial epithets, or anything that may be construed as harassing;
- In general, Company systems and software should be used only for business purposes;
- Do not use Company systems or software to solicit or proselytize others within or outside the Harte Hanks organization;
- Do not forward chain e-mails (or 'hard copy' chain letters); and
- You may not use another employee's username, user-ID or password to send or receive e-mail messages. You may not allow another employee to use yours.
- You may not use e-mail or other communication systems to obligate Harte Hanks to act in any way, or pay money to anyone
- Do not transmit company or customer confidential and proprietary information via e-mail
- Do not forward mail from your Harte Hanks e-mail account to a personal non-Harte Hanks e-mail account.

Remember that all messages and electronic files are Harte Hanks records. Harte Hanks may be required to provide them to governmental authorities, clients and other third parties, and in some cases they may be made public. Harte Hanks reserves and intends to exercise the right to review, audit, intercept, monitor, access, and disclose all messages created, received or sent

over the system and all activities conducted on Harte Hanks equipment. All messages that are sent or received using the systems remain the property of Harte Hanks. They are not the private property of any employee.

Employees should not attempt to gain access to another employee's personal file of e-mail messages without the latter's express permission.

Remote Network Access

- If you are a remote user you must sign and adhere to the Remote Access Usage Agreement.
- You may only use remote access to fulfill business requirements.
- Any device connecting to the Harte Hanks Network must be protected with an appropriate approved virus scanning utility.
- You may not cause any networks to be bridged together or to be routed together.

Computer Viruses

- Only anti-virus software supplied and installed by Harte Hanks may be used on a company-supplied device.
- Do not attempt to update, modify or uninstall the version of the anti-virus software installed.
- Do not download files from unknown or suspicious sources.
- If you believe (or even suspect) that your desktop or laptop is infected, immediately open a Help Desk ticket.

Passwords

- Do not write down or otherwise display in public viewable locations passwords.
- Do not disclose your passwords to anyone under any circumstances. Your supervisor/manager and your local IT support personnel should never ask you for your passwords. Report any request for your passwords to IT management and provide as much information as possible about the circumstances and persons asking for those passwords.
- Passwords are not to be in the form of anything potentially accessible by an attacker, such as family name, address, or phone number.
- Passwords are not to be in the form of dictionary words, English or other languages.
- Harte Hanks enforces and evaluates password quality. As a general guide: insertion of a non-standard character, a change of case, and insertion of a number will increase the strength of your passwords.

Telephone Systems

- Use company telephones to conduct company business and keep any needed personal use to a minimum.

- Inappropriate use of company telephone systems is prohibited. Such use may include: misuse of company assets or resources, sexual harassment, unauthorized public speaking and the misappropriation or theft of intellectual property.
- If you are permitted the use of telephones for long-distance or international calling you may do so only for business purposes.
- All voice mail messages that are created, sent or received remain the property of Harte Hanks. They are not the private property of any employee. Harte Hanks reserves and intends to exercise the right to review, audit, intercept, monitor, access and disclose all voice mail messages created, received or sent for any purpose.

Security Incidents

In the event that any security incident occurs physically or electronically, Harte Hanks employees must immediately report the incident to the appropriate response personnel. It is imperative that the proper individuals are notified to ensure the integrity of the Harte Hanks network. Please err on the side of over-reporting than of under-reporting. Breaches of security are not always obvious at first glance!

In the event of a security incident contact the Harte Hanks Security Incident Response Team (SIRT) at: **1-866-611-SIRT (7478)**.

2.9 Confidential Communications, Public Forums & Social Media

In the course of your work at Harte Hanks, you may have access to proprietary or confidential information, trade secrets and sensitive information. As information is one of our, and our clients, greatest asset, every employee has a continuing duty to protect these assets and maintain confidentiality at all times in accordance with all policies. Every employee must acknowledge and adhere to these responsibilities and provide Harte Hanks with written promises to maintain confidentiality at all times often through confidentiality/non-disclosure agreements. You should note that your written promises apply to your conduct and obligations inside and out of the office, during and after employment at Harte Hanks and in all public and social forums. As a general rule of thumb for all circumstances and at all times, you may only share information in accordance with Harte Hanks policies and procedures and must never share information with individuals who do not have a justified business need for such information, or, with respect to third parties, who have not agreed in writing to maintain the confidentiality of such information. In addition to client specific information, confidential information includes, but is not limited to, salary, job performance, client pricing, client and employee divisions, allocations or sales information.

Given the complexities associated with our confidentiality agreements, contractual promises, and legal requirements, Harte Hanks must ensure that all public disclosures and public representations, and employee communications honor all confidentiality obligations and comply with appropriate disclosure restrictions. In addition to these obligations, Harte Hanks also has a responsibility to honor the societal expectations within the locations we operate, the expectations of our customers, and the cultural sensitivities present in public forums around the world. You must obtain explicit approval from a member of senior leadership before speaking on behalf of Harte Hanks in any public forum, before publishing written information containing

proprietary Harte Hanks information, or before citing brand or proprietary Harte Hanks information associated with the promotion of any other third party or third party products or services. You must not affiliate yourself with Harte Hanks or represent yourself as speaking on behalf of Harte Hanks without explicit approval from a member of senior leadership and must not portray yourself as a spokesperson, even an “unofficial” spokesperson of Harte Hanks.

Harte Hanks respects its employee’s individual rights, including the right of personal freedom and free speech. You must keep in mind that you may be perceived as a representative of Harte Hanks if you affiliate yourself with Harte Hanks in a public forum, or via internet social mediums (such as Facebook, LinkedIn, Twitter, etc.). You should always assume, no matter how obscure or secure the site may seem, that many people will read your post including: reporters, consumers, co-workers, customers, your manager, and our competition. Consider that everything you post to the Internet as the same as providing to a newspaper reporter and you, before you post, ask yourself if you would be embarrassed to read about your post on the front page of the newspaper.

In such circumstances, you must always honor your confidentiality obligations and are expected to reflect the cultural and social values present within Harte Hanks. In short, always exercise good judgment and represent the best interest of Harte Hanks and our customers. Making oral or written statements about Harte Hanks without proper authorization could result in disciplinary action. Harte Hanks reserves the right to protect its reputation in all public and social forums and we ask for your cooperation and support.

2.10 Mail Systems

The mail and postage system is reserved for business purposes only. Employees may send personal mail and packages as long as unit specific guidelines are followed for payment of the personal expense. Mailing personal items at company expense and making personal long-distance calls using Harte Hanks or client account codes is strictly prohibited.

Employees who violate this and who cause a related mail expense to the company will be charged for such misuse, and corrective action may ensue. Moreover, personal mail should not be sent to Harte Hanks. All incoming mail is subject to opening before distribution.

2.11 Employee Resource: Harte Hanks Intranet

Employees have an online resource available to them called the Harte Hanks Intranet. This website is dedicated and restricted to Harte Hanks employees. At the site, employees may locate a wide array of information about our company's offerings to customers and to employees, among them a listing of our customer capabilities, company career position postings, sales and marketing collateral, client case studies in various vertical markets, branding and graphics guidelines, grammar and style guidelines, internal finance and accounting procedures, technical information, and even the contents of this Employee Manual – all in electronic format that is organized in various categories and "searchable" by use of keywords. The address for the Harte Hanks Intranet is <http://intranet.hartehanks.com>.

Many documents on the site are marked "for internal use only" and thus, cannot be downloaded and shared with contacts outside the company. That being said, there are many documents

posted that are suitable for sharing with prospects and clients. Care is required. Any detection of document sharing that is unauthorized, or verbal sharing of restricted content with outside parties, is a violation of Harte Hanks policy for confidential communications (see Item 2.9).

Posting of information to the site, keeping existing information up to date, and removing outdated information are the responsibilities of a team of individuals called Content Managers. Most sites, solutions and functions of the company have an assigned manager. Contact your supervisor if you wish to know your local content manager. He or she is a useful name to have should you have a question, or detect information on the site that is erroneous or incorrect, or author a document that you believe may be useful to post.

2.12 Handheld Electronic Devices

Possession and/or use of a pager, tablet or cellular phone may be restricted or prohibited in your work area or location. Because we handle confidential information in many parts of our organization, the use of cameras, including camera phones and devices with camera functions, in some work areas may be prohibited unless prior permission is obtained. See your manager for the specific guidelines for your work area and location.

If your job responsibilities include regular or occasional driving and you use your cell phone for business use, you are expected to refrain from using your cell phone while driving. Safety comes before all other concerns. Regardless of the circumstances, including slow or stopped traffic, you should pull off to the side of the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is unavoidable and pulling over is not an option, you are expected to keep the call short, refrain from discussion of complicated or emotional matters, and keep your eyes on the road. Special care should be taken in situations where there is traffic, inclement weather, or when you are driving in an unfamiliar area.

If you are charged with a traffic violation resulting from the use of your cell phone while conducting company business, you will be solely responsible for all costs and liabilities that result from such actions.

2.13 PULSE: Employee Survey

Employees are given an opportunity to participate in an all employee survey to measure employee's views about Harte Hanks as a place to work; understanding and awareness of the business direction; and levels of satisfaction with the way people are supported, involved, and communicated within their specific business units. The feedback you provide is completely anonymous and confidential. We value you as a part of Harte Hanks, and we want your honest input and feedback. Working together in this way, we can make Harte Hanks an even better place to work.

2.14 Harte Hanks University

Harte Hanks has an internal website dedicated to learning and development. Harte Hanks University (HHU) serves as a repository of proprietary on-line learning courses and mandatory compliance support tools. Harte Hanks University can be accessed at the following URL: <http://hhu.harte-hanks.com>.

Those requiring access to Harte Hanks University should contact their supervisor to learn more about the approval process for obtaining an account.

2.15 Customer Relations

Our Clients may produce designs or materials that may contain adult content, profanity, or explicit material that may be offensive to some individuals. There is no intention to purposefully demean any person, class of persons, or faith group or to create a hostile or intimidating atmosphere. The content produced by Clients does not necessarily reflect the thoughts or opinions of the Harte Hanks, our management, or our staff.

Should you be asked to work on a project that you find offensive or that conflicts with your own personal or religious beliefs, please bring this to the attention of your Manager, so we can attempt to resolve the situation.

Clients are to be treated courteously and given proper attention at all times. Never regard a Client's question or concern as an interruption or an annoyance. You must respond to inquiries from Clients, whether in person or by telephone, promptly and professionally.

All correspondence and documents, whether to Clients or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

CHAPTER 3: WORK SCHEDULE AND ATTENDANCE

3.1 Work Week

Your normal work week will be Sunday through Saturday (may vary by unit), beginning 12:01 AM Sunday and ending at midnight on Saturday. Usually the work week consists of forty (40) hours and five (5) eight (8)-hour days.

Your manager or supervisor will determine your scheduled hours of work, including meal times and breaks. Rest or coffee breaks are paid by Harte Hanks; meal times are unpaid, unless you are required by your manager to work through them.

If you are an hourly, non-exempt employee, you may, from time-to-time, be scheduled by your supervisor to work overtime. Overtime includes hours worked above forty (40) hours in a week, unless state law dictates other overtime calculation procedures. Paid Time Off (PTO) is not included in the hours worked when calculating overtime pay. Overtime pay is paid only on the hours actually worked over forty (40) hours.

You cannot work overtime without prior approval from your supervisor.

3.2 Time Records

All nonexempt employees must maintain accurate time records. Employees must “clock in” when they are ready to commence work. Employees must “clock out” when they leave work for lunch and “clock in” when they return ready for work. Employees must “clock out” immediately after the completion of their day’s work.

No work shall be performed by employees prior to their clocking in at the start of their work day, during their lunch break when they are clocked out, or after they have clocked out at the end of their work day. In other words, working “off the clock” is strictly prohibited. No one in the Company has the authority to ask, or encourage, or insinuate that you should “work off the clock.” If at any point you believe you are being pressured to work “off the clock” by anyone within the Company, please notify Human Resources.

All time worked must be recorded. All time cards must be signed verifying that the hours as recorded are correct. Employees forgetting to clock in or out and/or making an error in the recording of their time shall immediately bring this error to the attention of a manager at the time the error is discovered. All time record corrections must be written and initialed in ink by the manager.

Employees recording another employee’s time in or out, having another employee record their time in or out, or falsifying and/or tampering with any time keeping records or device will be subject to disciplinary action up to and including termination.

3.3 Attendance: Clocking In, Late Arrivals and Absences for Hourly Employees

We depend on you to report to work, on time, every day. When you arrive late or miss work, you put added pressure on your coworkers that ultimately affects clients. Below are guidelines used for managing attendance that is applicable to most business units.

When clocking in, follow these guidelines:

- Begin working immediately after clocking in
- While you are leaving children in an on-site child care center, or picking them up after work, you should not be clocked in.
- Never clock in for someone else or have someone else clock in for you; this is equivalent to theft of time, and you can lose your job for engaging in this practice.

We know that occasionally you will be late or absent. Please let us know as soon as you can that you will be arriving late or will be absent. The more notice we have, the better we are able to cover for your unscheduled absence or late arrival. If you fail to notify us, you will be given an 'absence without notice'.

When providing notice that you will be late, absent, or leaving early you must make every reasonable attempt to notify your supervisor; it is not acceptable to only tell a coworker. In many such cases, the receptionist or another team member can page your supervisor. Except in cases of an emergency when your supervisor is unavailable, it is not acceptable to ask a coworker to give such notice on your behalf to your supervisor. Check with your supervisor to find out if your punctuality will be measured by something other than 'clock-in' time (e.g., time logged into the phone system, etc.).

To help you with our policy, there are some terms and definitions that you need to understand:

- **Unscheduled Absence:** Failure to report to work or failure to report when called without getting prior written approval for the absence from your supervisor. If you notify your supervisor prior to the beginning of your shift that you will be absent, such absence will be considered to be 'with notice'. Failing to notify your supervisor prior to the start of your shift will result in an absence 'without notice'.
- **Late Arrival:** Failure to report to work at the time and place scheduled without getting prior written approval from your supervisor.
- **Occurrence:** Given for an absence, late arrival, or leaving work before the end of the shift. (One occurrence will be given for each continuous period of time missed for one specific, verifiable reason regardless of the number of days absent, unless the failure to report occurrence is a 'no call/no show,' in which case two occurrences will be charged for each day missed without timely notification.)
- You must call your supervisor prior to the beginning of each shift for which you will be late or absent.
- FMLA leave time will not be counted as an occurrence.

Occurrences are accumulated as follows:

Unscheduled Absence:

| | |
|----------------|-----|
| With Notice | 1.0 |
| Without Notice | 2.0 |

Late Arrivals:

| | |
|------------------|------|
| Under 15 Minutes | 0.25 |
| Over 15 Minutes | 0.5 |

Leaving Work before End of Shift:

| | |
|-----------------------------|-----|
| Missing less than 1/2 Shift | 0.5 |
| Missing more than 1/2 Shift | 1.0 |

An employee can be 'excused' from the issuance of an occurrence a maximum of three (3) times per twelve (12) months, by providing a valid note from the treating physician stating the absence was the result of an illness of the employee, minor child in the custody of the employee or a dependent parent of the employee; however, that note must be provided on the day the employee returns to work to be considered. Failure by the employee to provide a valid note from the treating physician or failure to provide such documentation upon the employee's return to work will result in the issuance of the appropriate number of occurrences.

If available, you must use Paid Time Off (PTO) to get paid for your unscheduled absence, but it will not erase the occurrence(s) you receive for the absence. Your occurrence(s) will be counted over a six (6)-month 'rolling window' of time. Occurrences over six (6) months old will not be counted. If you accumulate enough occurrences during any six (6)-month period of time, the following action(s) will be taken as soon as it is practical:

ACCUMULATED OCCURRENCES:

ACTION(S):

| | |
|-----------------------------------|---------------------------|
| 3.5 | Verbal Reminder |
| 5.0 | Written Notice |
| Next whole or partial occurrence* | Final Written Warning |
| Next whole or partial occurrence* | Termination of Employment |

**Next whole or partial occurrence over 5.0 occurrences*

Doing any of the following will likely result in the termination of your employment:

- Failing to report to work without (timely) notification ('no call/no show') for any two (2) scheduled workdays. A tardy becomes a 'no call/no show' two (2) hours into your shift.
- Leaving work without permission.

Absences addressed in this policy do not include approved leaves of absence, PTO, funeral leave, jury duty or active military duty.

Some jobs and/or business units follow separate and distinct attendance guidelines that are business necessitated. The supervisor will inform employees if other guidelines apply.

3.4 Meal and Rest Breaks

If you are a regular, full-time employee, you are allowed a meal period (generally either thirty (30) minutes or sixty (60) minutes in length) at or around the middle of the work period. Part-time employees who are scheduled to work more than five (5) consecutive hours during any workday are generally scheduled to receive a meal break of the same duration as full-time employees in their department.

Your supervisor will schedule the time and length of your meal period. There is no compensation for meal periods unless you are required by your supervisor to work during the meal period. Hourly employees must clock out and in before and after the meal break.

Harte Hanks generally provides a paid rest break (not to exceed fifteen (15) minutes in duration), whenever practical, during the course of each workday for employees who work at least four (4) consecutive hours. Two (2) breaks per eight (8) hour shift may be taken if the work schedule permits. Your supervisor will schedule rest breaks.

Employees are not permitted to leave Harte Hanks premises while on a paid rest break. Doing so may result in corrective action, up to and including termination.

If you choose to remain at your workstation during your rest break, you may not leave work early and you will not be paid extra for the break you did not take.

3.5 Leaves of Absence (LOAs)

Harte Hanks complies with all federal and state laws when administering its leaves of absence and extended absences policy. Most leaves/absences are without pay and requests are not automatically approved. The following time off is covered under this policy.

- Family and Medical Leave (FMLA)
- Extended Absence (Non-FMLA Leave)
- Military Leave

Leaves of Absence forms, and instructions for requesting a leave, are available at HR Zone. Contact Human Resources at (877) My-1-2-1-HR [1-877-691-2147] with any questions. Approval is not automatic.

Employees who are approved for time off are required to exhaust all earned PTO before any time off is taken without pay. Using PTO does not postpone the start date or extend the duration of the time off. Employees do not earn PTO or service time (i.e., tenure or “seniority” date) while on time off under this policy.

Harte Hanks may, at its discretion, place an employee on leave/extended absence when the employee has been on unpaid time off for more than five consecutive work days.

Employee Notice

If the reason for the time off is foreseeable, the employee is required to give a 30-day notice. If the reason is not foreseeable, the employee is expected to give notice on the same day a need for time off is known, or in no cases, beyond the next business day.

When giving notice, the employee must state that the time off is being requested for an FMLA qualifying event when applicable. Failure to give proper notice may result in the delay or denial of a requested FMLA leave.

Notice to Harte Hanks has been accomplished when an employee has discussed their request for time off with their Supervisor, and submitted the Employee Request for Leave or Extended Absence form to Human Resources.

An employee who is absent from work because of a work related injury or illness is automatically placed on FMLA medical leave and the time off counts towards the 12-week FMLA leave entitlement. If the employee is not eligible for FMLA leave, the time off will be considered an extended absence (non-FMLA). Employees are required to report work related injuries to their supervisor and Human Resources within 24 hours and seek immediate medical treatment at a designated clinic.

Continuation of Healthcare Benefits and Premiums

While on an FMLA, or other protected leave of absence, the employee's health plan insurance coverage will remain under the same conditions as if the employee had continued to work for a maximum of 12 workweeks, or 26 workweeks if the leave is to care for a covered service member. For other leave types, continuation coverage under COBRA will apply after 30 days of no work.

When on time off, the employee must continue to pay the portion he or she normally pays toward the premium or risk cancellation of their health benefits coverage while on leave. Upon return from leave, the employee will be required to pay any unpaid premium via payroll deduction. Information on how and when to make premium payments are located at HR Zone.

If an employee fails to return to work at the end of approved time off, Harte Hanks will, as permitted by law, be entitled to recover from the employee all insurance premiums paid on behalf of the employee while on time off under this policy.

Return to Work

The employee must notify Human Resources of his or her intent to return to work two (2) weeks prior to the anticipated date of return. An employee who is off work due to their own personal injury or illness will be required to present a 'fitness for duty' certification from the employee's health care verifying the employee's ability to return to work and perform the essential functions of their job. If an employee is unable to return to full duties without restrictions, a detailed description of the limitations/accommodations must be provided. Reasonable accommodations may be extended to the employee if suitable work is available. If a "fitness for duty" certification is not received, the employee's return to work may be delayed, without pay, until the certification

is provided. In some instances, an employee may be required to submit to a medical examination before returning to work at the sole discretion of Harte Hanks.

Reinstatement

An employee who fails to return on his/her scheduled return date, and has not been approved for an extension, is considered to have voluntarily resigned. A request for an extension must be made to Human Resources before the employee is due to return to work. Extensions are not automatically approved.

- **FMLA and Pregnancy Disability Leaves** - If the employee returns to work prior to or upon the expiration of available leave time, the employee will normally be returned to his or her former or a comparable position. A determination as to whether a position is comparable will be made by Harte Hanks. There is no guarantee of reinstatement if the employee's time off extends beyond FMLA and pregnancy disability entitlement.
- **Non-FMLA Leave** - Jobs temporarily vacated by non-FMLA leave may be filled to meet the operational needs of the business. Except where there is a legal requirement, reinstatement is not guaranteed. Employees whose job has been filled may be offered a job similar to the one they left, if such a job is available. An employee who rejects a job offer or new job assignment will be considered to have voluntarily resigned from their employment with Harte Hanks.

Termination

Any employee who has been on time off pursuant to this policy, and who has not performed any services for the Company for whatever reason, for a period of twelve (12) consecutive months will be administratively terminated. Employees may be entitled to continue their benefits or exercise conversion rights in accordance with applicable law and/or the terms and provisions of the employee benefit plan documents. An employee who is administratively terminated is eligible for rehire. However, the employee must submit an Application for Employment at the time he or she seeks to be rehired. Former employees will be considered along with other applicants for available positions which he or she is qualified to perform. Past service with the Company is considered in connection with any decisions to rehire; reinstatement is not guaranteed.

3.5.1 Family and Medical Leave Act (FMLA)

FMLA is the Family and Medical Leave Act (FMLA), as revised, which provides eligible employees the right to take a leave when there is a qualifying event.

Employee Eligibility

An employee is eligible to take FMLA leave when he or she meets all of the following criteria:

1. Must have one year of total service time, which has been accumulated within the previous seven years;

1. Has worked at least 1,250 hours in the twelve (12) months prior to the leave start date;
2. Has not exhausted available FMLA leave in a 12 month rolling period; and
3. There is a qualifying event.

Qualifying Event

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

1. Birth and care of the employee's newborn child;
2. Placement of a child with the employee for adoption or foster care;
3. To care for the employee's spouse, dependent child, or parent with a serious health condition;
4. Employee's own serious health condition that prevents him or her from performing the essential functions of the job, which includes workers' compensation leaves;
5. A qualifying exigency arising from an employee's spouse, child, or parent who has been notified of an impending call or ordered to active duty as a member of any regular component of the Armed Forces, or retiree from the Armed Forces called to active duty;
6. Employee is needed in the capacity of "caregiver" to care for spouse, child, parent, or next of kin who has sustained a military service related injury (or illness) while serving in the Armed Forces, including the National Guard or Reserves, at time of employee's request; or
7. Employee is needed in the capacity of "caregiver" to care for spouse, child, parent, or next of kin of a veteran of the Armed Forces at any point in time within five years preceding the date on which the veteran undergoes medical treatment, recuperation or therapy.

A parent under FMLA does not include an in-law.

A Certification of Health Care Provider form is required due to an employee's own serious health or to care for a family member with a serious health condition. A different Certification is required for military qualifying exigency and caregiver leaves. All forms are available at HR Zone.

Amount of Leave

Eligible employees may take up to 12 weeks of leave during a rolling 12-month period, with the exception of leave to care for an injured or ill service member. The 12 month period is determined by measuring backward from the date an employee takes any FMLA leave.

Eligible employees may take up to 26 weeks of leave to care for an injured or ill service member in a single 12-month period. This is leave taken in the capacity of "military caregiver" and does not include qualifying exigency leave. The single 12-month period begins on the first day leave is taken and ends 12 months after that date.

Spouses or domestic partners who are both employed by Harte Hanks will be limited to a combined total of 12 workweeks of leave during the 12-month period in which the leave is

taken when such leave is (1) for the birth of their son or daughter, (2) for placement with them of a son or daughter for adoption or foster care, (3) to care for a son or daughter during the 12 months following birth or placement, or (4) to care for the employee's parent with a serious health condition.

Intermittent Leave

Under certain limited circumstances, an employee may be entitled to take FMLA leave on an intermittent or reduced schedule basis, when such leave is based on the employee's own serious medical condition, or the serious medical condition of a spouse, child or parent. However, intermittent leave will be authorized only when the time off is medically necessary as a result of a serious health condition. Harte Hanks reserves the right to temporarily transfer an employee requesting intermittent leave or a reduced schedule to another position which better accommodates the recurring time off, and with equivalent pay and benefits.

Under most circumstances, leave under FMLA and a leave provision under State law runs concurrent for a maximum combined total of 12 weeks.

Leaves that extend beyond the FMLA entitlement of 12 or 26 weeks (depending on the reason for leave), are automatically converted to an Extended Absence (non-FMLA leave).

FMLA does not supersede any state law which provides greater family or medical leave rights.

3.5.2 Extended Absences (Non-FMLA Leave)

An employee may request an extended absence in certain instances when FMLA leave does not apply and the time off requested is greater than 5 work days. When business conditions permit, requests for a Non-FMLA extended absence may be considered and are approved or denied, at the discretion of the Unit Leader (or designee) taking into account the operational needs of the business. All extended absences, regardless of reason, must be scheduled and approved in advance. A Certification of Health Care Provider form is not required.

Extended Absences includes, but is not limited to, time off when medically necessitated, for up to 90 days of leave for the disability due to pregnancy, childbirth, or a related medical condition or for any other reason. Additional time off may be requested and will be considered on a case by case basis. Certain states provide for longer leave periods and employees in such states will be given leave in accordance with state regulations.

While on a Non-FMLA extended absence, the employee may elect continuation of health care benefits through COBRA if the time off will exceed 12 weeks. Additional information is available at HR Zone.

This is a discretionary leave, and the department has the right to deny a request for personal leave unless personal leave is a reasonable accommodation under the Americans with Disabilities Act (ADA) or as required by the Family Medical Leave Act (FMLA).

3.5.3 Military 'Leave'

Harte Hanks fully complies with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) in providing military leave and reemployment rights to Armed Forces, National Guard members and Military Reservists, regardless of military training or duty.

Upon request, unpaid leave is granted for an absence caused by military service, training or related obligation. The employee may elect continuation of health care benefits through COBRA if the time off will exceed 12 weeks. Information on COBRA is available at HR Zone.

Employees on military leave may, at their discretion, substitute their accrued PTO for unpaid time or be available for work. When available for work, time paid by the military (for same work day) is coordinated with pay received from Harte Hanks.

3.6 Plant Closing Due to Weather or Power Conditions

An employee's regular pay under this policy applies to all non-exempt employees who are not able or authorized to work off-site. In the event that Harte Hanks finds it necessary to close the facility due to weather, power or other related conditions, the following guidelines will apply:

Company Closed Full Day

Employees may elect to take Paid Time Off (PTO) or time off without pay. This applies to partial company closures and the scheduling of employees when the closure impacts an entire day.

Company Closes Less than Four (4) Hours into Shift

Employees who report to work will be paid for four (4) hours. Regular employees may elect to use PTO to receive pay for time that has been lost.

Company Closes after Four (4) or More Hours Worked

Employees who report to work will be paid for actual hours worked. Employees may elect to use PTO to receive pay for time that has been lost.

Company Remains Open for Business

If the Highway Department determines a Phase I snow emergency and you choose to leave work early, you must use PTO, if available, to be paid for a full day. If the Highway Department determines a Phase II snow emergency and you decide to leave work early, you must use PTO, if available, to be paid for a full day.

CHAPTER 4: RULES OF CONDUCT

4.1 We Will Conduct Business Ethically

As a Harte Hanks employee, you have a shared responsibility to customers, other employees, Harte Hanks' owners and the public at large to act honestly and responsibly in all of your business affairs.

Dishonest and irresponsible acts may result in corrective action up to and including termination of your employment.

4.2 Confidentiality

From time to time, you may work with, or have access to, information that is confidential. All employees must maintain confidentiality at all times in accordance with their non-disclosure obligations. Such confidentiality obligations extend beyond normal operating hours, the duration of a person's employment with Harte Hanks and apply to all communication mediums, including but not limited to public forums and social media.

Upon beginning work you will be required to sign a Confidentiality/Non-Disclosure Agreement. This Agreement is a promise by you to handle confidential information in a certain way. If you do not understand some of the information contained in the Confidentiality/Non-Disclosure Agreement, ask your supervisor or an HR Business Partner. You can lose your job if you do not abide by the conditions in this Agreement. All property owned by Harte Hanks or its clients and vendors must be returned upon completion of your employment.

4.3 Work Attire, Appearance and Hygiene

Employees are expected to come to work looking neat and clean, and dressed in good taste. It is important that our employees see and present themselves as professionals. The various positions within Harte Hanks will warrant different standards of dress. However, your wearing apparel, personal grooming and hygiene should be such that it does not distract others or create safety hazards. Strong colognes, perfumes, body sprays and lotions should be avoided in the workplace.

The following Business Casual guidelines will be considered acceptable dress, unless otherwise stipulated by unit/department management:

Men

Dress Slacks/Khakis*
Dress or Collared Shirts
Sweaters
Appropriate Shoes**

Women

Dresses
Skirts/Pantsuits
Dress/Casual Blouses/ Sweaters
Dress Slacks/Khakis*
Appropriate Shoes**

** Jeans will be reserved for Fridays and specially announced days only.*

*** No open toed shoes or sandals, this includes sling backs and clogs, will be allowed in any production/warehouse areas.*

Unacceptable Attire/Appearance:

Shoes (see ** above)
Leggings or Spandex
Offensive clothing
Holes in clothing
Sleeveless tops (tank tops)
T-shirts
Running or exercise shirts, sweatpants or running suits
Revealing Clothing
Bare feet

Non-compliance of this policy will result in corrective action and the employee may be sent home to change their attire without pay. Repeat violations may result in disciplinary action up to and including termination.

Certain departments, work areas, or locations may have additional or different work attire and appearance guidelines on a permanent or temporary basis. Check with your manager to see if and when an exception may apply to you.

4.4 Use of Electronic Cigarette, Tobacco and Tobacco Products

This section covers the electronic cigarette, which shall also include all personal vaporizers or electronic nicotine delivery systems' smoking products, that vaporizes a liquid solution. Tobacco products include cigarettes, cigars, pipes and chewing tobacco. Employees are not permitted to smoke electronic cigarettes or use tobacco products anywhere on company property, except in designated smoking areas. Smoking is only permitted in clearly designated areas, in personal vehicles, or off-site.

Smoking is not permitted near generators, propane tank storage, or near other flammable products. These areas are all no smoking zones.

We take a lot of pride in our facilities and want them to look clean and professional for all employees, visitors, and vendors. If you smoke, please be careful to discard all used products and packaging in appropriate waste receptacles. The company retains the right to revoke designated areas if not kept clean.

You are not allowed to take additional breaks, other than those given to all employees, to smoke.

4.5 Intoxicants and Legal Drugs

'Intoxicant' as used in this section means alcoholic beverages, prescription drugs taken inconsistently with the prescription, over the counter drugs taken inconsistently with the intended dose or use, as well as inhalants and illegal drugs.

Consumption of intoxicants on Harte Hanks property, including parking lots and areas surrounding Harte Hanks property, or reporting to work under the influence of intoxicants is absolutely forbidden. Employees who report to work under the influence will be escorted home and will not be allowed to drive themselves.

Prescribed medicine brought to work must be in its original container, and must identify the name of the person for whom the drug was prescribed, the drug, date of prescription and name of person who prescribed the medication.

Failure to abide by this policy may result in disciplinary action, up to and including termination of employment.

A Drug Free Work Environment

Harte Hanks, in keeping with its long-standing and strong commitment to employee safety and health, will maintain a work environment that is free of the effects of the misuse or abuse of intoxicants, drugs and other prohibited substances illegally being used by someone other than for whom it was prescribed, or by the correct person in excess of the prescribed amount, all referred to as "Prohibited Substances". In the furtherance of this policy, the company has adopted the following rules and procedures concerning drug and alcohol abuse, its prevention and appropriate discipline. Management reserves the right to random drug testing of employees where permitted by law.

Employees are responsible for reporting to work and performing their duties free from the influence of intoxicants or prohibited substances. The possession, use, sale or distribution of any prohibited substance or alcohol on company or client property will be grounds for discharge. Employees who report to work under the influence of alcohol, illegal drugs or prohibited substances will also be subject to termination. Any employee convicted of a drug-related criminal offense concerning activity in the work place must report this conviction to the Company within five (5) days of conviction. Any illegal activity will be reported to appropriate law enforcement officials. The Company will cooperate fully with law enforcement agencies in the detection, arrest, and prosecution of any employee or other person engaged in such activity. Furthermore, each employee has a responsibility to report unsafe or hazardous conditions to his or her supervisor. This responsibility includes unsafe or hazardous conditions caused by the misuse or abuse of intoxicants and/or drugs.

Employees are encouraged to use the Employee Assistance Plan (EAP) for drug and intoxicant abuse related issues. We do not offer, nor require participation in, drug and alcohol abuse education and training programs. However, various public and private facilities in our area offer such programs and affected employees are encouraged to seek assistance. While we do not sponsor or endorse any specific drug or intoxicant treatment programs, such programs are available through public and private health care facilities in our area. Affected employees are encouraged to seek assistance for themselves and their dependents. The group health insurance offered to employees and their dependents may provide limited coverage for expenses related to treatment programs. Refer to the plan description for details or contact the health insurance carrier directly. No employee will be disciplined merely for seeking assistance under such a plan. However, violations of this policy will not be excused merely because an employee is receiving treatment.

4.6 Good Housekeeping and Care of Equipment

Housekeeping (whether good or bad) creates a lasting impression on company visitors that include clients, prospective clients, vendors and representatives of other business concerns. The courteous reception they receive from employees and the neat appearance of the facility greatly influences the impressions and opinions they form of Harte Hanks.

Because of this, we expect you to preserve and protect company equipment and facilities and to maintain them in the best possible working order. Please inform your supervisor if you notice any unsanitary or hazardous conditions and equipment problems needing immediate attention.

Cleanliness is of great importance to the safety and efficiency of our facility. We expect you to keep your work area clean and to clean up after yourself after using the break room or the restroom. Please keep aisles clear and do not block exits. Please stack materials in an orderly and safe manner. Handle tools and equipment as if they were your own personal property.

Harte Hanks equipment, phones, computers, workstations and chairs regularly used by you may be marked with your initials or name, but please do this on the bottom or in an inconspicuous space and in a non-permanent manner. This helps us maintain our professional image with clients.

4.7 Company Property

Removing company property of any kind from its proper location or off the premises without authorized permission from your department manager is against company policy. Doing this may result in your termination.

Also, company assets may be issued to employees in particular situations to help them meet their job responsibilities. If an employee loses, damages, misuses or neglects company assets, including items such as telephone headsets, ID/access badges, computers, phones, furniture, etc., the employee may be required to pay the replacement cost of such items.

All company assets provided to an employee must be returned to Harte Hanks upon termination. Under some circumstances, failure to do so can result in the replacement cost of those assets being charged to the employee.

4.8 Parking

Parking is not permitted in areas that are normally used by clients or visitors, or in areas that interfere with the flow of traffic related to Harte Hanks business or to emergency vehicles. Parking is permitted only in designated spaces, not on the street or double-parked in the parking lot.

Carrying a firearm in a private vehicle on the Harte Hanks parking lot is prohibited.

Harte Hanks does not accept responsibility for the security of your vehicle or its contents while it is parked on Harte Hanks property or premises.

Any employee who requires assistance or an escort to a vehicle on or around the company lot should see the security guard or a manager.

4.9 Solicitation and Distribution

Soliciting is not permitted during working time. Distribution or circulation of printed materials by employees is not be permitted during working time, or at any time, including working and non-working time, in work areas. "Working time" refers to that portion of any workday during which an employee is performing their actual job duties; it does not include other off-duty and unpaid periods of time. Solicitation and distribution by non-employees on Harte Hanks property is strictly prohibited. Exceptions to this policy will be communicated to employees in advance, i.e., United Way Campaigns.

4.10 Offenses Which May Result in Immediate Termination

Harte Hanks reserves the right to discontinue the employment of anyone who, in the view of Harte Hanks, is not performing his/her job properly or who is engaging in conduct which is unproductive or damaging to the business and Harte Hanks' reputation with clients. Generally, an employee will be informed of inappropriate behavior or performance related issues and given an opportunity to change. However, Harte Hanks reserves the right to immediately terminate the employment of anyone who engages in conduct which is forbidden by Harte Hanks, including (but not limited to) the following:

- Insubordination (i.e., refusing to follow a supervisor's instructions, insulting or demeaning the authority of a supervisor/manager, undermining or interfering with a supervisor carrying out his/her responsibility, foul or abusive language directed at a supervisor/manager, etc.).
- Unauthorized access, use, or disclosure of confidential information by any means, including violations of your non-disclosure promise.
- Deliberately restricting or attempting to restrict Harte Hanks operations, including withholding pertinent information from the unit head.
- Defrauding or attempting to defraud the company.
- Causing dissension or disrupting the work of others, including the use of foul or abusive language in the workplace, etc.
- Willful and/or flagrant abuse or disregard of Harte Hanks' policies including but not limited to section 2.10 and those regarding business ethics and personal misconduct/lewd behavior (i.e., discussing confidential information inappropriately, failing to comply with the Harte Hanks leave of absence policy, being absent for two days without notifying your supervisor, etc.).
- Violation of the Anti-Harassment/Inappropriate Workplace Behavior Policy.
- Willful destruction or misuse of Harte Hanks tools, equipment, or property.
- Falsification of records including, but not limited to, the following categories: Harte Hanks forms, reports, time and attendance records, production reports, client data, and accident/injury reports.
- Stealing Harte Hanks time, including failure to clock in or out on your own, clocking in or out for another employee, having another employee clock you in or out, clocking in but not reporting directly to work or signing incorrect timesheets.

- Failure to work scheduled overtime.
- Unauthorized removal of property belonging to Harte Hanks, another employee, or Harte Hanks visitors (property includes, but is not limited to, Company supplies, records, materials or equipment).
- Improper or unauthorized use of Harte Hanks equipment or property, including distributing or storing anything on your computer or e-mail system that is of inappropriate nature or sexually implicit/explicit messages.
- Unauthorized access of confidential information via computer system or any other means (i.e., violating your Confidentiality/Non-Disclosure Agreement, releasing confidential information without proper approvals, etc.).
- Performance which Harte Hanks management feels does not meet the requirements of the position.
- Leaving assigned work areas without permission, leaving Harte Hanks premises during work time or break time without permission or failure to report to supervisor as instructed.
- Committing or threatening an act of violence, fighting, brawling or disorderly conduct on Harte Hanks premises.
- Violation of the Company's rules governing intoxicants, illegal drugs, and prohibited substances.
- Failure to submit to a Drug/Alcohol test.
- Possession of firearms or other weapons on Harte Hanks premises.
- Sleeping while on the job.
- Violation of safety rules or practices, or engaging in activity that creates a safety hazard, including failure to report an accident or injury immediately.
- Solicitation or distribution prohibited by Harte Hanks policy.
- Giving or taking a bribe.
- Using prior knowledge or our customer's advertising to purchase services or goods before publication of the advertisement.
- Defacing company property; for example placing graffiti on company walls.
- Other circumstances in which Harte Hanks management feels that discipline is warranted.

This list is illustrative only and is intended to be representative of the types of activities which may result in disciplinary action. It is not intended to be comprehensive and does not alter the terminable at will nature of the employment relationship between the employee and Harte Hanks allowing for termination, with or without notice, at any time for any reason.

We expect you to comply with all laws and Harte Hanks rules of conduct. This means exercising good judgment to work productively and safely, while treating customers, clients, co-workers and the public with dignity and respect. Failure to follow these Harte Hanks principles could result in immediate termination of your employment.

Notwithstanding the foregoing, nothing set forth in Section 4.10 should be construed as prohibiting conduct that is protected by the National Labor Relations Act or any other applicable law.

4.11 Corrective Action

If your supervisor believes that corrective action would be appropriate, he/she will provide you an opportunity to improve your performance. We call this 'progressive coaching'. Generally, we begin with a verbal reminder. If your performance does not improve, we take more serious steps. Our progressive coaching process is designed to help you understand what we expect and to give you the guidance you need to improve your job performance.

When your supervisor begins progressive coaching with you, listen carefully to his/her instructions. Your job depends on it. Disciplinary measures may include:

- Verbal counseling which may or may not be documented in writing
- Written warning with scheduled follow-ups and review
- Final, written warning possibly resulting in probation or suspension
- Termination of employment

With each step, you have an opportunity to improve your performance and end the progressive coaching process.

Being placed in progressive coaching does not guarantee that you will be put through each successive 'step' and it does not guarantee that you will be given a verbal warning, written warning, final written warning or be placed on probation prior to termination.

At Harte Hanks' discretion, an employee may be placed in any stage of the progressive coaching process, or may be subject to other corrective action measures, such as demotion, transfer, immediate suspension or termination without notice.

If you have problems or questions relating to your work, talk with your immediate supervisor. Talks with your supervisor help both of you develop a better understanding of one another's point of view. Discuss problems as soon as possible. Delaying such discussions may complicate matters and make resolution more difficult.

4.12 Working Out Problems with Harte Hanks

We value the time, effort and dedication of our employees, and believe it is critically important that our employees are treated fairly and receive a prompt response to problems and concerns that may raise during the course of their employment. For this reason, the Company provides a procedure to promote a prompt and responsible resolution of issues raised by our employees. This procedure may be used freely without fear of retaliation, and Human Resources is available to assist an employee throughout the procedure, from initiation to investigation, through completion/ resolution. The "step" process outlined below should be used if you have a grievance, including when an employee disagrees with a supervisor's action, including any disciplinary action. If the problem involves Harassment or Sexual Harassment, reference to that policy (Chapter 2.1) should be made to initiate a complaint. When unsure which policy applies, initial contact should be directed to the HR Zone for directional assistance.

Please understand that based upon contractual and other legal requirements (confidentiality, intellectual property, etc.), employees are strictly prohibited from

discussing any complaint that arises out of their employment, either indirectly or directly, with a Harte Hanks client, prospective client, or non-employee. Such conduct may result in immediate termination. When bringing forth/ initiating a complaint or concern, employees are expected to work cooperatively and confidentially with those who are involved in the review and who will be working towards a resolution.

Step One:

Discuss the complaint/ your concern with your Immediate Supervisor.

Informal resolution of complaints is encouraged. Employees should first discuss the complaint with their immediate supervisor within three (3) business days of the situation, whenever possible. If the complaint is not resolved as a result of this discussion, or such a discussion is not appropriate under the circumstances, proceed to the next step. If the issue in dispute involves a suspension or termination of employment, Steps One and Two may be bypassed and escalated directly to a Human Resources Business Partner.

Step Two:

Prepare and submit a Concern and Complaint Form for Review by a Second-Level Supervisor and /or Human Resources.

If the employee feels the complaint was not resolved in discussions with his/her immediate supervisor, he/she may prepare and submit a formal written complaint for review by the person to whom the employee's immediate supervisor reports ("next level manager"). To do so, the employee should prepare a Concern and Complaint Form and submit it to the HR Zone within seven (7) business days of the Step One discussion with the immediate supervisor (or within seven (7) days of the event being grieved if Step One is bypassed). HR Zone will consult with the appropriate HR Business Partner, who will then clearly and candidly review the complaint with the next level manager.

A meeting between the employee, next level management, and human resources, when applicable, will generally be held within five (5) business days. A complaint that becomes an investigation will receive a written response, generally within five (5) business days upon completion of an investigation.

General Information

The time limits above are subject to modification on a case-by-case basis due to operational requirements, travel away from the office, in-depth investigations, etc. Human Resources shall have final authority to resolve any disputes regarding the implementation of this Complaint Procedure, including determination of the appropriate decision makers.

Reporting Concerns About Accounting Practices/Financial Integrity

Any employee of Harte Hanks or its subsidiaries (the “Company”) may submit a good faith complaint regarding accounting or auditing matters to the management of the Company without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. The Company’s Audit Committee will oversee treatment of employee concerns in this area.

In order to facilitate the reporting of employee complaints, the Company’s Audit Committee has established the following procedures for (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters (“Accounting Matters”) and (2) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Receipt of Employee Complaints

- Employees with concerns regarding Accounting Matters may report their concerns to the Vice President – Legal (General Counsel) of the Company 1-210-829-9000.
- Employees may forward complaints on a confidential or anonymous basis to the Audit Committee through regular mail. All such concerns shall be set forth in writing and forwarded in a sealed envelope to the chairman of the Audit Committee, at Harte Hanks, Inc., 9601 McAllister Freeway, Mail Box 8, San Antonio, TX 78216., in an envelope labeled with a legend such as: “To be opened by the Audit Committee Only. Submitted pursuant to the “whistleblower policy” adopted by the Audit Committee. If an employee would like to discuss any matter with the Audit Committee, the employee should so indicate in the submission and include a phone number at which he or she may be contacted.

Scope of Matters Covered by These Procedures

These procedures relate to employee complaints relating to any questionable accounting or auditing matters including, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- fraud or deliberate error in the recording and maintaining of financial records of the Company;
- deficiencies in or noncompliance with the Company’s internal accounting controls;
- misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- deviation from full and fair reporting of the Company’s financial condition.
- Violations of federal or state criminal law relating to securities fraud, mail fraud, bank fraud, wire, radio and television fraud, or fraud against shareholders;

- Violations of any rule or regulation of the Securities and Exchange Commission; or
- Conflicts of interest.

Treatment of Complaints

- Upon receipt of a complaint, the Audit Committee will (i) determine whether the complaint actually pertains to Accounting Matters and (ii) when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by the Director of Internal Audit or such other persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee.
- The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good faith reporting of complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002. If an employee believes he or she has been subjected to any action that violates this policy, he or she should file a complaint with his or her supervisor, the Chief Governance Officer or the Company's Head of HR. If it is determined that an employee has experienced any improper employment action in violation of this policy, the employee will be entitled to appropriate corrective action.

Reporting and Retention of Complaints and Investigations

- The Director of Internal Audit will maintain a log of all complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and such log will be maintained in accordance with the Company's document retention policy.

CHAPTER 5: SEPARATION FROM EMPLOYMENT

5.1 Resignations

If you decide to resign your position, you should give your supervisor as much notice as possible but not less than two (2) weeks written notice. If you can or would like to give more than two (2) weeks of notice, please discuss this option with your supervisor. Harte Hanks is not obligated to allow you to work any days after a notice has been given. You will be paid only for those days that you have worked. Failure to give recommended notice may disqualify you from future consideration for re-employment.

5.2 Final Pay

If your employment at Harte Hanks has ended, you will be paid for actual days and hours worked up to the effective date of separation as well as for any accrued, unused PTO.

All final payment of wages will be subject to withholding for taxes and other required or authorized deductions.

Please note that your final paycheck may be an actual paper check, even if your paycheck was previously deposited directly into your bank account.

5.3 Eligibility for Rehire

Employees who are terminated involuntarily, except for layoff and reduction in force/restructuring, are typically not eligible for rehire at Harte Hanks.

5.4 Layoff/Reduction in Force

Although the Company hopes that circumstances do not require employees to be laid off, there may be instances where it is necessary for non-disciplinary reasons, such as when there is lack of work, budget restrictions, consolidation of jobs, elimination of certain jobs or as part of the Company's organizational structure, or any other business reason. The Company may consider, in its sole discretion, the employee or employees to be laid off based on objective, job-related standards including knowledge, skills, abilities, work performance, and operational requirements. In the absence of these distinguishing factors, the employee's length of service will be used to determine who will be laid off first. The Company does not have a recall obligation or policy for laid off employees.

5.5 Retirement

Voluntary retirement from active employment status is initiated by the employee. A written notice from the retiring employee is required. You should give your supervisor as much notice as possible but not less than two (2) weeks written notice.

CHAPTER 6: SAFETY AND SECURITY

6.1 Safety

It is Harte Hanks policy to maintain a safe work environment; yet, no matter how safe the work area may be, our employees are the key to having a safe work environment.

Failure to follow established safety practices could cause accidents or injury that may seriously jeopardize your income-earning capacity and the security of your family or dependents.

We ask that you follow a few common sense safety precautions that protect you and your coworkers from harm. If you fail to follow these procedures, you may be subject to disciplinary action, up to and including termination of employment. Your supervisor will give you additional instructions if needed.

- Always wear appropriate and required safety apparel and devices.
- Never remove safety guards or devices from machinery or equipment.
- Never use equipment unless properly trained and authorized.
- Avoid wearing any rings, jewelry, loose clothing or gloves that might catch in machinery.
- Turn off equipment not in use.
- Restrain long hair when working near moving machinery.
- No open toed shoes or sandals, this includes sling backs and clogs, will be allowed in any areas of facilities where there are production and warehouse departments.
- Wearing of headsets or earphones for personal music is not allowed in production areas and may be restricted in other work areas. (See your manager for more information.)
- Keep passageways to fire extinguishers, aisles and doorways clear.
- Keep areas clean and free of clutter.
- Know where all fire extinguishers are located and what to do in the case of a fire or an emergency.
- Do not smoke in prohibited or unsafe areas.
- Do not burn candles at work.
- Space heaters and fans must be approved by safety committee/facility manager.
- Store flammable and hazardous waste materials in proper containers.
- Use proper lifting techniques - lift with back straight, knees bent and with the load close to your body.
- Do not run or engage in horseplay.
- Do not initiate or participate in practical jokes.
- Do not ride lifts and hoists.
- Do not ride on the outside of vehicles.
- Comply with all vehicle traffic laws.
- Use tools and equipment only for their intended purposes.
- Know where first-aid kits are located and how to use them.
- Report any injury or accident, no matter how slight, to your supervisor and Human Resources immediately.
- Report unsafe working conditions or defective equipment to your supervisor immediately.

- Use sound judgment.
- Employees who practice careless and/or unsafe work habits of any kind are subject to dismissal.

Your suggestions for safety, as well as suggestions for the improvement of any other phase of our business, are encouraged. Questions on any safety rule, procedure, device or other safety matter should be referred to the local Safety Coordinator immediately.

6.2 No Weapons Policy

Except where prohibited by law, Harte Hanks does not permit persons who enter Company property, except authorized law enforcement personnel, from carrying a handgun, firearm, or prohibited weapon (including ammunition) of any kind onto the property, regardless of whether the person is licensed to carry the weapon or not.

This policy applies to all Harte Hanks employees, contract and temporary employees, visitors, customers and contractors on Harte Hanks property.

All Harte Hanks employees are also prohibited from carrying a weapon while in the course and scope of performing their job, whether they are on Company property at the time or not and whether they are licensed to carry a weapon or not. Employees may not carry a weapon covered by this policy while performing any task on Harte Hanks' behalf. This policy also prohibits weapons at any Company sponsored functions such as parties or picnics.

Prohibited weapons include any form of weapon or explosive restricted under local, state, or federal regulations. This includes all firearms, knives or other weapons covered by the law. Consult with your supervisor on questions, whether or not an item is covered by this policy,. You are responsible for making sure that any potentially covered item you possess is not prohibited by this policy.

Violations of this policy will result in appropriate disciplinary action and/or legal action, including termination of employment without warning. Harte Hanks will also take and/or assist with legal action as appropriate.

We encourage you to report any violations of this policy to your supervisor, department manager, or a Human Resources Business Partner.

6.3 Name Badges and Visitor Access to Facilities

Unless specifically stated to the contrary at a business site, all Harte Hanks employees must wear a Harte Hanks ID Badge when in any of our facilities. Name badges should never be loaned to others or left unattended in open areas.

Employees who come to work without a badge need to follow their respective unit's security procedures for obtaining temporary access or a replacement badge.

It is a violation of policy for employees to open a secure door with their badge and allow people without an ID Badge to enter (employee or non-employee).

On-site visitors, including clients, vendors, and salespeople, are also required to wear identification badges issued at the time of arrival. Employees are responsible for ensuring that their guests sign in and out at the front desk and wear appropriate identification. All visitors must be escorted from the lobby to their meeting place. If you see someone without a badge, take the time to direct him or her to the receptionist to receive a badge.

Ask your supervisor who to contact for replacement badges.

6.4 Visitors

When it is necessary for a relative or friend to visit you at work please have your visitor check in with the receptionist (if applicable). The receptionist will call you to meet the visitor in the lobby. Visitors are not permitted in the warehouse or production areas for any reason. Visitors may be restricted from other work areas as well. Check with your department manager for any restrictions in your work area. Visitors must be escorted at all times. No children are permitted in any warehouse or production area. If a child is present in a warehouse or production area, all mechanical equipment must be shut down immediately. Production will never take precedence over safety. All employees should keep in mind they are here to work and visits from friends and relatives must be kept at an absolute minimum.

6.5 Incident Reports

All incidents or accidents, no matter how small, which could or actually did result in an injury to anyone (employee, client, visitor, vendor, etc.) or damage to property **must** be reported immediately to your supervisor. All accidents involving Harte Hanks or customer vehicles must also be reported immediately to your supervisor and Human Resources.

Supervisors will complete (with the help of the person involved and anyone who witnessed the accident) an Accident or Incident Report form immediately after an incident occurs, and submit the report to Human Resources, along with the report completed by the person involved in the accident.

Any Harte Hanks employee involved in an on-the-job accident or injury requiring more than simple first aid is immediately driven to a medical facility by a car service for treatment of the injury and to take a drug test.

6.6 Security

Harte Hanks facilities contain hundreds of computers and valuable equipment. More importantly, we have client databases that we have pledged to keep safe.

Our security system is designed to safeguard and protect employees, valuable equipment and databases owned by our clients. Access to work areas may be strictly controlled. Your supervisor will brief you concerning procedures for entering areas where you are required to work.

Any employee who feels the need for assistance or an escort to a vehicle on or around the company lot should see his/her supervisor. When working late, use common sense and park close to building entrance/exit, park and walk in well lit areas, and lock car doors.

Please make sure that access doors close securely behind you when entering or exiting the building. Never prop an exterior door open.

6.7 Privacy and Searches

Desks, storage areas, work areas, lockers, file cabinets, credenzas, computer systems, office telephones, modems, facsimile machines, email, voice mail, and Company vehicles are the Company's property and must be maintained according to this policy. All such areas and items must be kept clean and are to be used only for work purposes, except as provided in this policy. The Company reserves the right, at all times, and without prior notice, to inspect and search any and all the Company property for the purpose of promoting safety in the workplace, compliance with state and federal laws, or other legitimate business purposes. Such inspections may be conducted before, during, or after business hours and in the presence or absence of the employee. It is a condition of employment all employees submit to searches of their personal property and personal vehicles for the presence of illegal drugs or other prohibited substances or missing Company property while at work, or on Company premises, or on the adjacent parking lot. Refusal to consent to, or failure to cooperate in a search as directed by the Company may result in the employee being discharged, without advance notice or other warning.

6.8 Mail Safety

If you receive suspicious mail or parcels:

- Do not handle the mail piece or package suspected of contamination. Isolate the parcel and evacuate the area immediately.
- Notify your supervisor, and contact a member of Production or Distribution Center (DC) management listed below.
- Production/DC management will contact a postal inspector to report that a parcel has been received that may contain biological or chemical substances.
- Production/DC management will notify local, county and state health departments.
- Ensure that all persons who have touched the mail piece wash their hands with soap and water.
- List all persons who have touched the letter and/or envelope. Include contact information. Provide the list to Production/DC management.
- Place all items worn when in contact with the suspected mail piece in plastic bags and have them available for law enforcement agents.
- As soon as practical, shower with soap and water.
- If prescribed medication by medical personnel, take it until otherwise instructed or it runs out.
- Call the Center for Disease Control Emergency Response at **(770) 488-7100** for answers to any questions.
- Contact your work location's Safety Coordinator a manager, .

6.9 Inclement Weather

In the event of inclement weather, employees should contact their supervisor or manager for the proper procedures to follow.

6.10 Workplace Violence Policy

Harte Hanks, consistent with providing a safe environment, has adopted the following zero tolerance policy on workplace violence.

Any acts or threats of physical violence, including intimidation and/or coercion which involve or affect Harte Hanks, its employees, or its clients and occur on Harte Hanks property or elsewhere when in connection with employment with Harte Hanks, will not be tolerated.

Specific examples of conduct that may be considered threats or acts of violence include but are not limited to the following:

- Hitting or shoving an individual.
- Threatening harm to an individual or their family, friends or coworkers.
- The intentional damage or destruction of, or threat of damage or destruction of property.
- Stalking.
- The suggestion or intimation that violence is appropriate.
- Possession of firearms or weapons.
- Comments about 'going postal' or other references to workplace violence, even if the employee claims it was a joke.

Anyone violating the above policy will be terminated without warning. This is an exception to our normal disciplinary policy. Harte Hanks will also take legal action as appropriate.

Every Harte Hanks employee is encouraged to report incidents of threats or acts of physical violence. The report may be made to a supervisor, department manager, Human Resources Business Partner. Employees are encouraged to notify their supervisor if they have reason to believe that a third party (like a former spouse) may pose a threat to them within the workplace.

CHAPTER 7: COMPENSATION AND BENEFITS

7.1 Payday, Paychecks, and Direct Deposits

Your regularly scheduled paydays will be posted in your unit. If the regular payday occurs on company holiday that is also a bank holiday, you will be paid on the last working day prior to the regular payday. If the regular payday occurs on a company holiday that is not a bank holiday (e.g., day after Thanksgiving), then the payday will occur as regularly scheduled. If you fail to pick up your paycheck within two (2) workdays of the payday, your check may be mailed to you, unless you contact the Accounting Department and request that it be held for you.

If you discover a mistake in your paycheck, lose your paycheck or have it stolen, notify your supervisor for assistance resolving the matter, or you may escalate the matter to Payroll Support immediately.

Harte offers direct payroll deposit for Employees. You may begin and stop direct payroll deposit at any time. To begin direct payroll deposit, you must complete a form and return it to Payroll Support at least 14 days before the pay period for which you would like the service to begin. You should carefully monitor your payroll deposit statements for the first two pay periods after the service begins.

To stop direct payroll deposit, complete the form available from Payroll Support and return it at least 14 days before the pay period for which you would like the service to end. You will receive a regular payroll check on the first pay period after the receipt of the form, provided it is received no later than 14 days before the end of the pay period.

7.2 Payroll Deductions

Deductions From Paycheck (Mandatory)

The Company is required by law to make certain deductions from your paycheck each time one is prepared. Among these are your federal income taxes and your contribution to Social Security as required by law. These deductions will be itemized on your check stub. The amount of the deductions may depend on your earnings and the information you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in your name, address, telephone number, marital status or number of exemptions must be updated immediately in HR Zone (HR.hartehanks.com) to ensure proper credit for tax purposes. The W-2 form you receive for each year indicates the amount of your earnings that were deducted for these purposes.

Any other mandatory deductions made from your paycheck, such as court-ordered garnishments, will be explained if and when the Company is ordered to make such deductions.

Deductions for Garnishments

Garnishments are court orders requiring an employer to withhold specified amounts from an employee's wages for payment of a debt owed by the employee to a third party. The law requires the Company to honor garnishments of employee wages (including child support, student loans, back due taxes) as a court or other legal judgment may instruct.

When a garnishment order is received and the order is effective, the Company will begin withholding the appropriate amount from the employee's pay check until the indicated amount is fully paid.

If the employee's employment terminates, the Company is required to notify the person, court, or agency to which withheld amounts are being paid that the employee is no longer employed by the Company and provide the employee's last-known address and the name and address of the employee's new employer.

Error in Pay or Error in Deductions

Every effort is made to avoid errors in your paycheck. If you believe an error has been made, that there has been an improper deduction, or you have a question about your pay, discuss your concern and seek assistance from your supervisor. Payroll Support will research the problem and take steps to assure that any necessary correction is made properly and promptly. You will not be subjected to retaliation for raising such concerns.

7.3 Pay Raises and Bonus Payments

Employee salaries and wages are reviewed at annually. Both business performance and personal performance are key indicators used to determine pay changes.

The Company may offer bonuses for some positions. Bonuses, in part, are based on your personal contributions during the plan year. If you are eligible for a bonus, you will receive a written notice confirming your participation for each plan year and criteria for receiving a bonus award. Participation is not automatic and eligibility is determined on an annual basis at the discretion of the Company.

7.4 Salary/Wage Continuation

If you are disabled due to a non-occupational illness or injury that requires hospitalization or confinement for an extended period of time, you may be eligible to receive a portion of your base salary for a period of time. **To be eligible for the salary/wage continuation benefit, you must meet all of the following eligibility requirements:**

- You must have completed one (1) full year of employment as a Harte Hanks employee, immediately preceding the start date of the leave. Reaching the one year anniversary at any point during the leave does not entitle you to pro-rated salary/wage continuation payments. Prior service time does not count towards the one year eligibility period except where noted in Chapter 1.11.

- You must be a regular, full-time employee (working 30 or more hours per week). Employees who were part-time with a status change to full time must have worked in as a full-time employee in the 3 months preceding the start date of the leave.
- You must be intending to return to the Company as an active employee following the disability period.

Unless noted otherwise, the following will apply to all approved leaves which are eligible for salary/wage continuation. Salary continuation is based on length of service using the most recent hire date except where applicable for rehires (cross reference Chapter 1.11)

- There is a ten (10) workday waiting period before salary/wage continuation payments begin. You must use any accrued PTO during this 10-day waiting period. Because payments start on the regular scheduled workday that follows the waiting period, employees who work a non-traditional workweek should contact Human Resources to confirm how the waiting period will be counted.
- Accrued PTO (what has been earned at start of leave) is automatically paid out in conjunction with salary/wage continuation payments to make up the difference in your base salary. Base salary does not include commissions, overtime pay, bonuses and any other extra compensation.
- Salary/wage continuation payments will be calculated based upon average length of the pay period (i.e. 2,080 hours per year divided by 26 pay periods = 80 hours per period).

Maximum benefits per a rolling 24-month period from date of initial eligibility are as follows:

| <u>Length of Service</u> | <u>% of Base Pay</u> | <u>Length of Benefit</u> |
|--------------------------|----------------------|---------------------------|
| Under 1 year | N/A | Not eligible for benefits |
| 1 - 3 years | 60% | 2 weeks |
| 4 - 7 years | 60% | 4 weeks |
| 8 – 14 years | 60% | 8 weeks |
| 15 + years | 60% | 12 weeks |

- A general rule of thumb for salary/wage continuation benefits during a maternity disability is 6-8 weeks from delivery date for regular deliveries and 8-10 weeks from delivery date for Caesarean section delivery. This estimated disability schedule does not change what you will be paid under “length of benefit.”
- In locations with a state disability benefit, salary/wage continuation payments will be coordinated with state disability payments. This means that the combined salary/wage continuation and state disability payments will not exceed the maximum benefit (60% of base pay) due under the salary/wage continuation grid. The employee is responsible for

contacting the state disability office directly, applying for state disability income, and providing Human Resources with the state's proof of payment (stub).

- A medical certification, completed by the employee's treating physician, is required. This certification confirms that the personal disability qualifies, start date of leave, and approximate return date.
- Salary/wage continuation payments are not processed until after all leave of absence paperwork has been received by HR Zone.
- If you elect to stop working more than one (1) day prior to the scheduled disability start date, you must provide a statement from your physician with the reason(s) necessitating the earlier leave.
- Leaves of absence begin on the first day of worked missed (start date). The salary/wage continuation benefit is based on length of service on the start date. For example, if an employee's leave starts 9/30 and salary/wage continuation payments would begin on 10/14, and employee's four year anniversary is on 10/10, the employee would receive the 1-3 year benefit based on their length of service on the start date of the leave. Reaching an anniversary while on leave or after the waiting period will not entitle the employee to additional weeks of pay under salary/wage continuation.
- The maximum amount of time allowed to be out of work on personal disability leave during any (rolling) 12-month period is twenty-six (26) weeks. All time out of work that is considered a personal disability is applied to this twenty-six (26) week maximum, is cumulative during any (rolling) 12-month period, and runs concurrently with time allowed under the Family Medical Leave Act (FMLA). Time off applied towards the twenty-six (26) week maximum does not necessarily have to be consecutive time off.
- As governed by the Family and Medical Leave Act, job protection rights no longer exist after twelve (12) weeks of leave even though your personal disability may continue beyond the initial twelve (12) weeks.
- The salary/wage continuation benefit (7.4 Salary/Wage Continuation) has changed. Any employee who is on a leave or has submitted a Request for Leave that has either (1) been approved or (2) pending HR's receipt of the Medical Certification will be paid salary continuation per the maximum benefit grid (length of service, % of pay, and length of leave) in place prior to January 1, 2013. All other provisions of the salary/wage continuation benefit will be administered per this updated policy.
- An eligible employee must claim salary/wage continuation benefits that are owed within 14 days of returning to an active status or the benefit is forfeited. If the employee has returned to work, employee must be in an active status when payments are made in the regular bi-weekly pay cycle.

7.5 Group Benefits

The Company provides a variety of benefit plans to assist you and your dependents with current and future security and financial well being. Currently, some of these plans are paid in full by the Company; a few may require that you make a contribution. Each benefit is governed by formal documents on file with Human Resources. The principal features of group insurance plans have been described in Summary Plan Descriptions. These Summary Plan Descriptions have either been distributed to you or are available for your review at HR Zone. The following is not intended to supersede any of those documents but only to outline generally the benefits provided by the programs and to identify the appropriate documents which must be consulted for the final resolution of questions. However, the formal program documents govern in all cases. If you have any questions, you should consult the plan administrator identified in the Summary Plan Description.

Human Resources is available to answer employee questions on benefits and to counsel current and former employees, and non-employee beneficiaries, on benefit coverage and required forms and designations.

As an employee of Harte Hanks, you may be eligible to participate in group insurance programs, subject to meeting enrollment requirements, including:

- **Healthcare:** Includes medical, dental and vision insurance, with managed-care options for medical coverage. A portion of the premium is paid by Harte Hanks.
- **Basic Life:** Employee is covered for one (1) times annual salary up to \$100,000, \$2,000 for spouse, and \$1,000 for child(ren). This is paid for by Harte Hanks.
- **Basic Accidental Death and Dismemberment:** Employee is covered for one (1) times annual salary up to \$100,000. This is paid for by Harte Hanks.
- **Voluntary Life:** Employee can be covered up to five (5) times annual salary up to a maximum of \$500,000 subject to underwriting approval, spouse up to a maximum of 50% of employee's covered amount subject to underwriting approval, children \$10,000 each. This is paid for by the employee.
- **Voluntary Accidental Death and Dismemberment:** Employee may purchase coverage in \$10,000 increments up to \$300,000, spouse 50% of employee's coverage (40% if dependents), children 10% of employee's coverage (15% if no spouse). This is paid for by the employee.
- **Business Travel:** Employee is eligible for \$250,000 in coverage in the event of accidental death while traveling on Harte Hanks business. This is paid for by Harte Hanks.
- **Long-Term Disability:** Employee is eligible after one (1) continuous year of employment with the Company with an elimination period of 180 days; benefit is 50% of your basic monthly earnings, less other income benefits. This premium is paid for by Harte Hanks. Benefit payments are taxed since premiums are company paid.

Employees may also participate in the following Harte Hanks savings programs and educational assistance programs, subject to participation guidelines:

- **401(k):** Employees become eligible to contribute to 401(k) the first of the month following 3 months of employment. Harte Hanks will match contributions 100% for the first 3% contributed by the employee and 50% of the contribution for the next 2% contributed by the employee. Company match will begin upon the employee's entry into the plan. Employees can then contribute up to 20% more unmatched, pre-tax up to the maximum permitted by the IRS.
- **Educational Assistance:** Regular, full-time employees who are in good standing with the company may be reimbursed for costs incurred while taking relevant courses offered by accredited institutions of learning.
- **Medical Flexible Spending Account:** Pre-tax payroll deduction to pay certain out of pocket healthcare, dental and/or vision expenses which you or your dependents may incur during the year.
- **Limited Use Flexible Spending Account:** Pre-tax payroll deduction to pay certain out of pocket dental and vision expenses which you or a dependent may incur during the year. Enrollment limited to those employees contributing to the Healthcare Savings Account.
- **Dependent Care Flexible Spending Account:** Pre-tax payroll deductions to help pay for your childcare and dependent care expenses.
- **Healthcare Savings Account:** Pre-tax payroll deductions to pay for medical, dental and/or vision expenses if enrolled concurrently with the HDHP plan offered by Harte Hanks.
- **Employee Assistance Program (EAP):** All employees, dependents and household members are covered on the 1st day of employment. Confidential, professional assessment and referral service for family, legal, emotional, financial, chemical dependency and work related issues. This is paid for by Harte Hanks. The program is designed to encourage early intervention and awareness of such problems and to offer help at the earliest opportunity. Employees are responsible for their performance and for taking constructive action to resolve any personal problems that affect or threaten to affect their on-the-job behavior.

Harte Hanks evaluates benefits coverage and providers at least annually. Although we will do our best to communicate any benefits changes, benefit coverage, providers, and costs are subject to change at any time. Check with your unit human resources representative or the Harte Hanks Intranet for recent updates. *See 1.10 'Reemployment' for benefit eligibility regarding rehires.*

7.6 Eligibility of Benefits

Subject to some underwriting requirements, the following insurance benefits are currently available to all regular, full-time (working thirty (30) or more hours per week) employees of Harte Hanks on the first day of the month following sixty (60) days of regular, full-time employment.

- Medical
- Dental
- Vision
- Basic Life
- Basic Accidental Death and Disability
- Voluntary Life
- Voluntary Accidental Death & Disability
- Medical reimbursement/Section 125/Flexible Spending Account (FSA)
- Dependent care reimbursement/Flexible Spending Account (FSA)
- Healthcare Savings Account (HSA)

Enrollment forms for these benefits must be submitted to Harte Hanks Benefits no later than 31 days from the employee's eligibility date for benefits (i.e., the first day of the month following sixty (60) days of continuous, full-time, regular employment with Harte Hanks). If an employee fails to submit his or her benefits enrollment forms to Human Resources by the deadline, he or she will have to wait until the next annual enrollment period to enroll in these benefits.

Employees have thirty-one (31) days from a qualifying change in status (e.g., marriage, newborn, loss of coverage, etc.) to make any changes to health and dental plans. Otherwise, employees must wait until the next annual enrollment period. It is exclusively the employee's responsibility to inform Harte Hanks of their eligibility for coverage.

An employee may participate in the Harte Hanks Investment Plus **401(k) Plan** if he or she:

- Is currently an employee of Harte Hanks, Inc. or one of its participating companies
- Has completed three (3) months of employment

Under the 401(k) Plan, Harte Hanks will match the employee contribution (100% for first 3% invested and 50% match for the next 2%) upon the employee's entry into the plan. If you have previous monies from a qualified plan, you may roll it over into a Harte Hanks 401(k) plan immediately after you join the company.

Harte Hanks paid **Long-Term Disability** coverage takes effect for each employee who:

- Is considered to be regular, full-time employee (working thirty (30) or more hours per week)
- Has completed 365 days of continuous active employment with Harte Hanks

7.7 Continuation of Healthcare Benefits (COBRA)

Harte Hanks employees enrolled in a Company sponsored healthcare plan will be offered continuation of healthcare benefits if he/she meets one of the following 'qualifying event' requirements:

- The employee's termination of employment for any reason, except gross misconduct.
- The employee's death – spouse and dependent children eligible for COBRA coverage.
- The employee's divorce or legal separation.
- A dependent child reaches limiting eligibility age under the Group Health Policy.
- Loss of dependent coverage when employee becomes covered by/entitled to Medicare Benefits.
- Reduction of employee's working hours, such as moving to part-time status or being on non-FMLA leave of absence.

Coverage may continue 18-36 months depending on the qualifying event.

Employees or dependents wishing continued coverage under COBRA guidelines will be responsible for 102% of the premium payment.

Costs and other information are posted on HR Zone.

7.8 On-the-Job Injury Protection

Harte Hanks provides a pay protection plan in the form of worker's compensation. Worker's compensation covers employees in the event of an occupational injury or illness.

Worker's compensation is provided in accordance with state law and this law regulates the benefits for which employees may be eligible. For this reason, it is extremely important that you notify your supervisor immediately in the event of a work-related illness, accident or injury. All work-related injuries must be reported to your supervisor and Human Resources within twenty-four (24) hours. Failure to report a work related injury may affect the benefits you would otherwise be eligible to receive.

Any employee who reports an on-the-job injury will immediately be sent to receive appropriate medical care and to take a drug test.

On-the-job accident or injury requiring medical attention will be managed in accordance with federal and state workers compensation laws.

- Injured employees will be paid for their regular work shift hours for the date of the injury.
- Pay for continuous time away from work, due to a work related injury, will be paid to the employee by WC Insurance after the applicable holding period. The WC Insurance claims adjuster will provide additional details directly to the injured employee.

7.9 Paid Time Off (PTO)

Definition of PTO

Paid Time Off (PTO) is a benefit paid to our employees which compensates them for time not worked. Time off is important for each employee's rest and relaxation and the Company encourages eligible employees to use their PTO each year.

PTO is used for vacation, sick or any other personal time off taken by the employee. Eligible employees must use earned but unused PTO when absent from work, before being considered in an 'unpaid' status. PTO is paid at the regular rate of pay. The maximum amount of PTO an employee is paid on a single day is the number of hours the employee is scheduled to work that day.

Accrual Schedule for Earning PTO

The accrual schedule for regular, full-time employees who work 40 hours a week is:

| Length of Employment | PTO Accrual Rate | Annual Maximum |
|----------------------|--|----------------|
| At time of hire | 15 days per year or 1.250 days per month | 120 hours |
| After 5 years | 20 days per year or 1.667 days per month | 160 hours |
| After 10 years | 25 days per year or 2.083 days per month | 200 hours |
| After 15 years | 30 days per year or 2.500 days per month | 240 hours |

PTO is prorated for employees who are scheduled to work 30 to 39 hours a week. Part-time employees are not eligible for PTO.

During years when an employee's accrual rate increases (i.e., every 5 years), the employee accrues PTO at the new, higher rate on the next accrual schedule following the employee's anniversary date.

For Example: If an employee working 40 hours a week reaches a 5 year anniversary on April 5, the employee accrues PTO at a rate of 1.25 days per month January 1 through April 5 and then accrues PTO at a rate of 1.667 days per month beginning April 6 through December 31. The combined total is 18.34 days (5 days earned January through April plus 13.34 days earned from May - December).

PTO is accrued daily and annualized over the calendar year by regular, full-time Harte Hanks employees and used during the calendar year when employees are absent from work.

Maximum Balance

For all work locations, the PTO annual maximum, based on length of employment, is the amount an employee can accrue over a 12-month period according to the accrual schedule. Except in California, PTO that has not been taken by December 31 of the calendar year it was accrued is lost. There is no buy back of unused PTO days at the end of each year.

California Employees

By California law, employees may carry over accrued but unused PTO up to the annual maximum listed in the accrual schedule. PTO is capped when the combined total of carried over PTO plus the current year's accrued PTO reaches the one year annual maximum. When the employee uses PTO and the balance falls below the annual maximum, the accrual of PTO is resumed. The accrual of PTO is not retroactive.

For Example: A California employee with an annual maximum of 15 days uses 5 days during the calendar year. At the end of the year, employee carries over the 10 unused PTO days and can accrue no more than 5 additional days until time off is taken. If the employee takes PTO before reaching the 15 day annual maximum, the accrual of PTO does not stop. If no time off is taken in the year, the employee's PTO balance remains capped at 15 days.

Using PTO

If approved by both the supervisor and department head, a new employee may use accrued PTO during the first six (6) months of regular employment, but the amount taken cannot exceed the amount of PTO earned.

After completing six (6) months of regular, full-time employment, eligible employees can request to take PTO up to the amount that puts their balance at no more than 40 hours negative or what is earned for the remainder of the calendar year, whichever is less. If, however, the employee resigns or is terminated, for any reason, then the employee must reimburse the company for any PTO taken in excess of the amount accrued as of the date of termination. PTO cannot be used to extend the date of termination. [Note: California state law dictates that employees must be allowed to carry over PTO as stated in this policy, thus mitigating the need to borrow against yet-to-be accrued PTO].

PTO should be scheduled in advance whenever possible and approval is not automatic. To request time off, employee should complete and submit a PTO request to the supervisor and/or manager. The manager must approve the written PTO request before the employee receives payment.

When unscheduled PTO is taken, the Company may request substantiation of the circumstances causing the unscheduled absence before employee is paid for the time off. If the unscheduled absence is the result of illness, the Company may request the employee to provide a written statement from the attending physician.

7.10 Holidays

It is the policy of Harte Hanks to designate and observe certain days each year as holidays. Eligible employees will be given a day off with pay for each holiday observed. Hourly employees who have worked more than thirty (30) days as regular, full-time Harte Hanks employees, are eligible. Employees who are scheduled in the system to work 40 hours per week will receive 8 hours of holiday pay; employees who are scheduled in the system to work 30-39 hours per week will be pro-rated.

Each year, the following holidays are generally observed. Additional holidays may be provided in any given calendar year.

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

In addition, the company provides a floating holiday which is available to employees who have been with the company ninety (90) days as a regular employee. This floating holiday is available for employees to take between January 1st and November 30th and must be taken in a full day increment. Employees may schedule the floating holiday and obtain approval for the floating holiday using the ETO system (pto.harte-hanks.com).

When a company holiday falls on a Saturday, it will (generally) be observed on the preceding Friday. If a holiday falls on a Sunday, it will (generally) be observed on the following Monday. Based upon operational needs and our customer's requirements, Human Resources will publish each year's holiday schedule.

Holidays may be changed or rescheduled by Harte Hanks to meet business needs and plans. An hourly employee who is required to work on a holiday will receive pay for both the holiday and for time worked.

If a non-exempt employee misses a scheduled work shift immediately before, on, or after a company holiday, without preapproval by the appropriate manager for the absence, the employee may not be paid for the holiday.

7.11 Funeral Leave/Bereavement Pay

Employees may receive up to three (3) excused days of absence with pay for a death in the immediate family. For the purposes of this policy, 'immediate family' includes spouse, domestic partner, sibling, child, parent, grandchild, grandparent, and parent-in-law.

You must prepare a written request for funeral leave. Your supervisor must approve your written request in order for you to receive payment. You must return to active duty at the end of such leave and provide supporting documentation upon return in order to receive payment for your leave. Bereavement pay does not count against PTO.

7.12 Jury Duty

If you receive a jury summons, let your supervisor know immediately. If you are required to serve on a jury, you will be paid for the time you serve up to five (5) days per year. To be paid, you must present both your jury summons and your release to your supervisor. You are expected to return to work immediately after the case concludes or the court recesses for the

day if there is a reasonable amount of time remaining in the workday. You must return to active duty at the end of your jury service in order to receive payment for it. Jury Duty pay does not count against PTO.

7.13 Educational Assistance

Harte Hanks encourages employees to enhance their formal business knowledge by completing coursework at accredited universities and schools. This includes participating in programs in pursuit of degrees, professional certifications or specific skill-building classes.

If pre-approved, Harte Hanks reimburses the employee for every job-related class taken and successfully completed by the employee during which time the employee is employed at Harte Hanks for the entire duration of the semester or term (less anything covered by scholarships, grants, or other financial aid). Harte Hanks will only reimburse for classes that are pre-approved and that are taken in their entirety while the employee is a regular (not temporary) Harte Hanks employee in good standing with the company.

The process for requesting education assistance and related additional information is available at HR Zone.

7.14 Employee Referral Program

Depending upon hiring needs, various Harte Hanks units may offer bonuses to employees who refer an applicant for employment. The Employee referral program is to encourage and reward Employees of the Company for bringing in talented candidates. Your referral should be at the level of a recommendation. This means you can attest to the strong work ethic, and know that this person will be a good cultural fit at Harte Hanks.

To qualify for a referral bonus, it should be clear that you were the cause of the candidate's application. The referring Employee should email the candidate's resume to the Recruiting Manager to ensure that the referral is properly tracked. This program is operated in conjunction with the hiring needs of Harte Hanks, so the Company reserves the right to terminate or change the program at any time.

All bonuses paid under this program are subject to relevant tax withholdings. Payments are made via automatic payroll.

Additional information is available at HR Zone.

7.15 California and Massachusetts Paid Sick Leave

Part-time and temporary employees who are not eligible for Paid Time Off (PTO), and their regular work location is California or Massachusetts, will earn paid sick leave under sick leave laws applicable to the state. To be eligible for sick leave, you must work at least 30 days for Harte Hanks and satisfy a 90-day employment period before paid sick time may be taken. Eligible employees will earn one *hour of paid sick leave for every 30 hours worked* until the maximum benefit level is reached in a rolling 12 months.

| | | |
|----------------------------|--------------------------|--------------------------|
| | CA Maximum Benefit Level | MA Maximum Benefit Level |
| Amount of paid time | 24 hours per 12 months | 40 hours per 12 months |

Sick time may be taken in increments of 1 or more hours per day but may not exceed the employee's normal scheduled shift. Negative time is not allowed. Because sick leave may carryover to the next calendar year, no additional time is earned once the employee's balance has achieved the benefit maximum level. Time that is lost is not earned back, and unused sick time is not compensable at the end of an employee's employment (voluntary or involuntary departure).

EMPLOYEE ACKNOWLEDGEMENT and AGREEMENT

I have received a copy of or have received instructions regarding how to access the Harte Hanks Employee Handbook and acknowledge my obligation to read the Employee Handbook in its entirety. I understand that it is my responsibility to ask for explanations of anything I do not understand in this handbook or related to Harte Hanks policies that apply to my employment.

I understand that the handbook is intended to provide an overview of the Company's personnel policies and does not necessarily represent all such policies in effect at the time of writing. I understand that Harte Hanks reserves the right to add, change, or rescind any policy or practice or benefits at its sole discretion, without notice.

I understand that policy revisions, updates or changes may not be reflected in a printed copy of the handbook. I agree that it is my responsibility to regularly access on-line personnel documents, including the Employee Handbook, and to remain current in my understanding of policies and procedures, even in the event that they are changed by the company. For the most up to date version of the Employee Handbook, I should visit the Human Resources section at HR Zone.

I further understand that my employment and compensation are for no fixed term and may be terminated by the Company at any time with or without cause or notice. Likewise, I may resign at any time. I further understand and agree that no person other than the President has the authority to enter into any written or oral agreement different than what is stated herein.

I understand that the handbook is not a contractual agreement.

I further understand and agree that this document is the property of Harte Hanks.

By my signature below, I authorize Harte Hanks to deduct from my wages and final paycheck any outstanding balances of amounts which are due to Harte Hanks at the time of my separation from employment. This shall include PTO I have taken in excess of what I have accrued at the time of my separation assuming such deduction is not inconsistent with my exempt or nonexempt status under the Fair Labor Standards Act.

Employee Name (Please Print)

Date

Employee Signature

[FOR REFERENCE ONLY. SIGNED EMPLOYEE COPY IS FILED IN PERSONNEL FILE.]