



Employee Handbook

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EMPLOYEE HANDBOOK ACKNOWLEDGMENT and AGREEMENT

WELCOME TO 3Q Digital, a HARTE HANKS COMPANY

Welcome! As an Employee of 3Q Digital Inc., a Harte Hanks Company (the “Company”, “Harte Hanks”, or “3Q”), you are an important member of a team effort. We hope that you will find your position with the Company rewarding, challenging, and productive. Because our success depends upon the dedication of our Employees, we trust that throughout your employment, you will contribute to our culture of mutual respect, cooperation, and commitment.

This handbook is intended solely for those Employees of Harte Hanks who are assigned to 3Q Digital as their business unit of record in HR Zone.
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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 Employee Handbook was written to help you get a positive, successful start with the Company. It is intended to be a resource to you and contains some of the Company's most frequently used employment guidelines. We have written this Handbook in order to answer some questions you may have concerning the policies, programs, and benefits of the Company. This is a 'general guide' and should not be considered as creating an implied or written employee agreement or contract between you and the Company. Nothing in this handbook binds the Company contractually.

This Handbook summarizes the policies and practices in effect at the time of publication. This Handbook supersedes all previously issued Handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described here. Your Human Resources team is happy to answer any questions you may have.

Harte Hanks reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this Handbook or in any other document, from time to time as business, employment legislation, and economic conditions dictate. If and when provisions are changed, the Company will update the Handbook accordingly. The handbook is available at any time in the Human Resources online portal and support team that is commonly referred to as HR Zone (<https://hr.hartehanks.com>). Any updates and/or changes to policies and benefits will be distributed to all employees. You will be notified of all changes.

All of our new employees are given an onboarding orientation into the Company. During this session you will be receiving more information about the Company and your responsibility as a team member. It is your responsibility to read and make certain that you understand the contents of this handbook. Please read it thoroughly and retain it for future reference.

It should be understood that your employment is at the discretion of the Company 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 the Company 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!

VISION STATEMENT

To become a leader in smarter customer interactions.

MISSION

Our mission is to always challenge the status quo by applying insight, innovation and creativity to every interaction.

To tirelessly build powerful relationships and deliver on the marketing ambitions of our clients, no matter how great.

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.

Shared Values

- **Unflinching integrity**

We do the right thing...even when it hurts. We find solutions at the intersection of what is right for our clients and their customers...and we respectfully decline to do anything else. We sell heroically.

- **Courageous vision**

We play to achieve success, not to avoid failure. And “success” is always defined in terms of marketplace results. We work to grow our business as hard as we work to help our clients’ business. *Effort is commendable; results are rewarded.*

- **Balanced decisions**

We believe in the interdependence of all stakeholders. Our decisions and actions balance the long-term success of our shareholders, our clients, and our people. *Equitable partnership, equitable benefit.*

- **Fast, nimble and focused**

We make leading edge thinking real and measurably tangible before anyone else. By taking innovation—often the innovations of others—and applying both sage thinking and contemporary street smarts, we mold transformative ideas into actionable strategies. *Innovation without application is overhead.*

- **Radically collaborative**

Hence, we learn faster and adapt more quickly. We are incessantly curious about other parts of the organization – seeking out information, successes, and even failures “outside of our lane.” This hyper-sharing across groups with different perspectives often leads to thinking that expands upon the original knowledge. *Listening is informative; empathy is enlightening.*

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 annual employee survey is a tool to help us create a work environment employees can thrive in by helping leadership understand how you feel about working at Harte hanks. PULSE is about getting employee feedback and acting on it. New hires will participate in the survey 90 and 180 days following your hire day. Thereafter, the employee is administered annually. Feedback is reviewed by leadership and action teams are assembled to help make improvements where needed.

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 Site Location Leader, 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 Site Location Leader or Department 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 Site Location Leader or Department 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 or no later than end of month when delayed due to other business priorities. Direct deposit is available and forms posted in HR Zone.

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 Chief Human Resources Officer and Executive 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. Human Resources 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.

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 the Company 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 the Company's 'At Will' employment policy. The '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 Connections and the Company's website (www.hartehanks.com/careers).
- If an internal candidate wishes to apply for a new position, he/she must apply through the Company's 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 Company, 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 the Company, certain promotion, transfer, or other opportunities that might otherwise be available could be restricted. Additionally, the Company 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 permitted, with some limitations, 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 such as a fiancé.

If you become related to someone, as a result of marriage, while an employee at the Company, 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 (<http://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. The Company assigns a specific classification to each employee for the purposes of identifying eligibility for benefits, salary administration, and overtime eligibility. Classifications are determined by the employee's assigned work schedule and employment relationship.

Regular/Full-time:

Regular full-time employees are those who are scheduled to regularly work thirty (30) or more hours per week. Regular employees are eligible for all benefits when applicable service requirements are met.

Part-time:

Part-time employees are those who are scheduled to regularly work less than thirty (30) hours per week. Such employees are not eligible for Company benefits.

Exempt:

An employee who receives a salary but is not entitled to overtime pay under Federal and applicable State laws, regardless of the number of hours worked in a week are exempt.

Non-Exempt:

An employee who is non-exempt will receive either a salary or pay based on hours worked. Most non-exempt positions at the Company are paid hourly. You are entitled to overtime pay for hours worked in excess of 40 hours in one workweek, or as otherwise required by local law. You must assist with overtime work when it is assigned. Management must approve all overtime in advance. If you fail to

receive advance approval before working overtime, you will be subject to disciplinary action, up to and including termination.

Temporary/Seasonal

Temporary employees are engaged to work full-time or part-time with the understanding that their employment may be terminated on or before completion of a specific assignment. A temporary employee may be offered a new temporary assignment with the Company and still retain temporary status. Temporary employees are not eligible for employee benefits except those mandated by applicable law. Temporary associates on assignment from temporary employment agencies are employees of the respective agency and not of Harte Hanks.

To meet business requirements and as incentive, temporary 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.

Inactive Status

Employees, who are on any type of leave of absence, work-related or non-work-related, will be placed on inactive status. During the time the employee is on inactive status, benefits such as fitness and business telephone reimbursements, and holiday closures will not be or paid and seniority will not continue to accrue.

3Q Remote Office Employees

Remote office employees have the opportunity to work from an alternative work environment or remote office, instead of in one of the primary office locations of the Company. Any employee wishing to pursue a remote office arrangement should contact his or her Supervisor and review the Harte Hanks Telecommute Guidelines. Having a remote office may not be appropriate for all employees. The Company retains the right in its sole discretion to designate positions that are appropriate for remote office locations and approve employees for remote office employee designation. Being a remote office employee does not change the conditions of employment and requires compliance with all Company policies and procedures. The Company reserves the right to change or terminate the remote office employee arrangement at any time, without cause or advance notice. The Company shall not incur additional costs due to a remote office arrangement. The Company will specify any costs the Company will cover under a remote office arrangement. All other expenses are the responsibility of the employee.

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. Once an accommodation request has been received, a designated Human Resources 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, as applicable, 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)

The Company 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, all employees must provide the 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 the Company, if their previous I-9 is more than three (3) years old, or if their previous I-9 is no longer valid.

There are projects that, due to the nature of the work, contract, and national security, will require United States citizen as a condition to employment for work on a specific project.

1.10 Outside Activities / Conduct

What you do in your free time is your own business. However, employees are expected to conduct their personal affairs in a manner that does not adversely affect the Company or their own integrity, reputation, or credibility. Illegal or immoral off-duty conduct by an employee that adversely affects the Company's legitimate business interests or the employee's ability to perform his or her job will not be tolerated. While employed by the Company, employees are expected to devote their energies to their jobs with the Company. The following types of employment elsewhere are strictly prohibited:

- Additional employment that conflicts with an employee's work schedule, duties, and responsibilities;
- Additional employment that creates a conflict of interest or is incompatible with the employee's position with the Company;
- Additional employment that would involve the use of the Company's property or premises;
- Additional employment that directly or indirectly competes with the business or the interests of the Company.

Employees are required to disclose to the Company any other concurrent employment in which they may be engaged prior to commencing such employment. Ask your supervisor if you need more information about what you should and should not do in these situations.

CHAPTER 2: COMMUNICATIONS AND TEAMWORK

2.1 Anti-Discrimination and Anti-Harassment

PURPOSE

Harte Hanks is committed to providing a work environment free of harassment. The Company does not tolerate any form of discrimination or harassment in the workplace or in any work-related setting outside the workplace, such as during business trips, business meetings, and business-related social events; on the basis of race, color, religious creed, gender, gender identity or expression, religion, marital status, age, national origin or ancestry (including language use restrictions), physical or mental disability including HIV and AIDS, medical condition including cancer and genetic characteristics, genetic information, sexual orientation, military and veteran status, sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), or any other consideration made unlawful by federal, state, or local laws. Managers, supervisors, co-workers and any third parties with whom employees have contact are prohibited from engaging in conduct deemed unlawful under federal, state, or local laws. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. You must exercise your own good judgment to avoid conduct that may be perceived by others as harassment.

Conduct prohibited by this policy includes, but is not limited to:

- Visual/Non-Verbal: Inappropriate written materials (including email and online content); derogatory posters, cartoons, or drawings; suggestive objects or pictures; graphic commentaries; leering or obscene gestures;
- Verbal: Repeated requests for dates, sexual innuendos, racial or sexual epithets, derogatory slurs, foul or obscene language, off-color jokes, inappropriate propositions, questions about another's sexual experiences, threats, or suggestive or insulting remarks or sounds;
- Physical: Interference or assault ranging from intentionally impeding or blocking someone's way to unwanted physical contact (for example, touching, rubbing, or massaging someone's neck or shoulders, or brushing against another's body); and
- Other: Making or threatening reprisals or retaliation as a result of a negative response to harassment; unwelcome sexual advances, requests for sexual favors and other verbal, graphic, or physical conduct of a sexual nature when:
 - Submission to such conduct is made either explicitly or implicitly a term or a condition of an individual's employment;
 - Submission to or a rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or
 - Such conduct has a purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

If you believe you have been subjected to any form of discrimination or harassment at work by anyone, including co-workers, Supervisors, Executive Staff, Clients, or visitors, you should immediately bring the problem to the attention of your Manager and Human Resources. If possible, do so in writing (signed and dated), stating the date, place, time, nature of the discriminatory conduct or harassment, the name and position of each offending party, and any witnesses to the misconduct.

All complaints will be investigated promptly and will be kept confidential to the extent possible. The Company will not retaliate against you for filing a complaint and will not knowingly permit retaliation by

management, employees, or your co-workers. Anyone who tries to intimidate an employee from reporting discrimination or harassment, or impedes an investigation, will be subject to disciplinary action.

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 of this employee handbook.

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. Supervisors are expected to report any complaints to the site leader or the Human Resources Business Partner.

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 fair, thorough, and timely investigation that provides due process to the parties involved. 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 4.14 for additional guidelines on working out internal problems.

2.2 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 3Q 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 the Company's policy, you can skip these steps and go directly to Human Resources

2.3 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 Company business and must not be used to post personal items for sale notices, announcements, advertisements, etc.

2.4 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 (<https://hr.hartehanks.com>) to update your employment records. We will not release this information to anyone unless you give us permission or we are required by law to release it.

2.5 Corporate Security Policy

The Corporate Security Policy applies to all employees, contractors, consultants, temporaries, and other individuals performing work utilizing the Harte Hanks 3Q network (HHNET) or computer devices of the Company, including personnel affiliated with third-party vendors and partners. This policy applies to all equipment that is owned, leased or sponsored by the Company. In addition this policy applies to all data residing within the computer devices and equipment of the Company. A complete copy of the Corporate Security Policy may be obtained from Connections.

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.

No employee is to use Harte Hanks Systems for the purpose of illegal transactions, downloads, or to engage in defamation, copyright, or trademark infringement, discrimination, harassment, or related actions will be subject to discipline and/or immediate termination.

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 Company facility.
- Employee owned personal 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 adhere to the Company's policy on accessing proprietary sites.
- 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

While Harte Hanks may accommodate the use of passwords for security, the reliability of such for maintaining confidentiality cannot be guaranteed. Individual passwords do not prevent the Company from accessing your files. Harte Hanks reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. Never disclose personal or system passwords to anyone other than authorized Company representatives. Employees will not attempt to gain access to another employee's email or voicemail messages.

- 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)**.

2.6 Confidential Communications, Public Forums & Social Media

In the course of your work at the Company, 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 the Company 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 Harte Hanks senior leadership and must not portray yourself as a spokesperson, even an “unofficial” spokesperson of Harte Hanks.

The Company 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.

2.7 Mail Systems

The mail and postage system is reserved for business purposes only. Employees may send personal mail and packages as long as work location specific guidelines are followed for payment of the personal expense. Mailing personal items at company expense and making personal long-distance calls using the Company 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 the Company. All incoming mail is subject to opening before distribution.

2.8 Employee Resource

Employees have an online resource available to them on Connection (<https://connections.hartehanks.com>). 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, and internal finance and accounting procedures— all in electronic format that is organized in various categories and "searchable" by use of keywords.

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 Company policy on confidential communications.

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.

2.9 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.

2.10 PULSE: Employee Survey

Employees are given an opportunity to participate in an all employee survey to measure employee's views about the Company 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 the Company an even better place to work.

2.11 Learning Management System (LMS)

The Company has an internal website dedicated to learning and development. LMS serves as a repository of proprietary on-line learning courses and mandatory compliance support tools and can be accessed in HR Zone at <https://hr.hartehanks.com>.

2.12 Updating Personal Information (HR Zone)

The Company is required by law to keep current records of on all employees and uses employee self-service in HR Zone. Employees are responsible for updating their personal records in HR Zone. Log into HR Zone (<https://hr.hartehanks.com>) to make changes to any of the following personal information:

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

Changes to your benefits, and benefit beneficiary, should be made at ClearBenefits (myclearbenefits.com).

2.13 Employment Records and Verification

You have a right to inspect certain documents in your personnel file, as provided by law. Since personnel files are stored electronically, any documents that you have previously signed can be provided to you. Contact Human Resources to obtain personnel documents.

Any request for information regarding current or former employees should be directed to Human Resources. No manager, supervisor, or employee is authorized to release references for current or former employees. The Company uses The Work Number to verify employment or income by authorized parties. The Work Number is an automated service that accelerates this process by providing verifiers/requestors ("Verifiers") —including mortgage and automobile lenders, credit card companies, property managers, public assistance agencies and others instantly. The service is available 24 hours a day, 7 days a week. Verifiers should be told to contact The Work Number at www.theworknumber.com or call 800-367-5690 and use the Harte Hanks employer code is 26369. Employees with questions related to the service, or to request employment letters, may contact The Work Number Service Center at 866-604-6572 (for employees only); this 866 number is for employees only.

The Work Number will disclose only the dates of employment and the title of the last position held. If you authorize the disclosure in writing, The Work Number will provide the amount of salary or wage you last earned. Human Resources will fully cooperate with requests from authorized law enforcement or Local, State, or Federal agencies conducting official investigations and as otherwise legally required.

2.14 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

The standard work week starts at 12:00 a.m. Sunday and ends at 11:59 p.m. the following Saturday. A work day is a consecutive 24-hour period that begins at 12:00 a.m. and ends at 11:59 p.m. of the same day. This section shall not be construed as a guarantee of any hours of work per day or per week, but is the normal schedule of work. Your manager or supervisor will determine your normal schedule, including meal times and breaks.

If you are a non-exempt employee, you may, from time-to-time, be scheduled by your supervisor to work overtime. Overtime for hourly employees 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 and expect to receive overtime pay 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 general 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.
- FML leave time (full time or intermittent) is not counted as an occurrence.

Occurrences are accumulated as follows:

<u>Unscheduled Absence:</u>	
With Notice	1.0
Without Notice	2.0
<u>Late Arrivals:</u>	
Under 15 Minutes	0.25
Over 15 Minutes	0.5
<u>Leaving Work before End of Shift:</u>	
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.

You may use Paid Time Off (PTO), when available, to receive pay for unscheduled absences, 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:

<u>ACCUMULATED OCCURRENCES:</u>	<u>ACTION(S):</u>
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 projects and/or business locations follow separate and distinct attendance guidelines that are business necessitated. Your manager will inform you if other guidelines apply.

3.4 Meal and Rest Breaks

All employees who are scheduled to work more than six (6) consecutive hours during any workday are generally scheduled to receive a meal break for at least 30 to 60 minutes. There is no pay for meal periods unless you are required by your supervisor to work. Hourly employees must clock out and in before and after the meal break.

Rest breaks are normally practiced and continued subject to operational requirements. Rest period is paid time and intended to be a recess from work. Rest periods are scheduled by the department and may not be used to cover an employee's late arrival to work or early departure, to extend the meal period, nor may they accumulate if not taken. Because rest breaks are paid time, you are not paid extra for the break you do not take. Whenever possible, there will be a paid 10 to 15 minutes rest break provided during the course of each workday for employees who are scheduled to work six (6) consecutive hours. Two breaks may be scheduled if the shift is expected to be 8 hours or more. Employees are not permitted to leave the Company's premises while on a paid rest break. Doing so may result in corrective action, up to and including termination.

3.5 Leaves of Absence (LOAs)

A regular status full time employee may request a leave of absence, pursuant to the conditions required for each leave. Leaves of absence may be granted to employees in certain circumstances. Employees are responsible for initiating the leave of absence process and upon notification, providing the information required to evaluate the request for leave. Employees who fail to respond in a timely manner, may be denied a leave. All leaves must be requested in advance and are granted solely at the discretion of the Company.

When an absence does not qualify for Family Medical Leave or another regulatory leave, you may request an Extended Absence. An Extended Absence is limited to unusual circumstances requiring a continuous time off that is longer than two weeks.

If you have been **employed less than one year**, contact Human Resources at 1-877-691-2147 to review a request for an Extended Absence or Pregnancy Disability. The Extended Absence form is located in HR Zone > Home > HR Support > Knowledge Base.

If you have been **employed for one or more years**, in the 12 months preceding the leave start date, make the request online in HR Zone > Home > FMLA Leave.

If your leave is granted you must keep in touch with your Supervisor and Human Resources during the leave, and give prompt notice of any change in your anticipated return date. If your leave expires and you fail to return to work, the Company will assume that you have voluntarily resigned and initiate the termination process.

The Company may, at its sole discretion, place an employee on leave when absent for more than five consecutive work days.

In a rolling 12 month period, 3Q employees will automatically receive 2 weeks of their regular base pay when on an approved leave. Leaves related to the same qualifying event within the rolling 12 month period are counted as one leave even though there might be time worked between the absences. In such instances, only 2 weeks of pay collectively will apply. Employees may use any accrued banked time to receive pay, if available, when a leave extends beyond 2 weeks.

Scheduling Time Off

If the leave is foreseeable, such as time off based on the expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or a family member, the employee must notify the Company at least 30 days before leave is to begin. The employee must consult with his or her Supervisor when scheduling a planned leave in order to minimize disruption to the operations of the Company.

Notice to the Company has been accomplished when an employee has discussed their request for time off with their Supervisor and made an online request in HR Zone. Requests for all leave covered under Federal or State law, including Military leave, are requested in HR Zone under Home > FMLA Leaves Administration. The employee and supervisor will be notified when a decision has been made.

An employee who is absent from work because of a work related injury or illness is automatically placed on leave and all time off which qualifies as a serious health condition will count towards the 12-week FMLA leave entitlement.

Continuation of Healthcare Benefits and Premiums

An employee on an approved leave of absence will be allowed to continue participation in the company's health and welfare benefit plans for a period of up to 12 workweeks in a 12-month rolling period. Employees on a leave will have the same rights as if actively working to participate in any open enrollment periods. This means that if the coverage for active employees or family members is modified, your coverage will be modified too. Employees on leave will also have the same rights to change plans or change covered dependents as active Employees.

The Company will continue to pay its share of the cost of an eligible employee's group health insurance during protected leave for a period of 12 weeks. When an employee is on a leave that extends beyond 12 weeks, he or she may continue their group health insurance coverage through COBRA by making monthly payments to the COBRA administrator for the amount of the applicable premium. Employees should contact hr@3QDigital.com for information, including enrollment and questions on COBRA.

If the employee is paid during any portion of the leave, the employee's share of the premium will be deducted from the employee's payroll check in accordance with normal practice. If or when the leave is unpaid, the employee must pay his or her share of the premium upon their return from leave. If the employee fails to return to work after a leave, the Company may recover from the employee the premiums paid for the employee's insurance, unless the employee is unable to return to work due to a serious health condition, or other circumstances beyond the employee's control.

Upon return to work, the Company will collect (via a payroll deduction) the full amount of the employee's share of health insurance premium, if any, not paid by the employee during the leave.

Calculating the 12-month Period

For purposes of calculating the 12-month period during which 12 weeks of leave may be taken, the Company uses a rolling year time period measured backward from the date leave commences.

Under most circumstances, leave under Federal and State law will run at the same time and the eligible employee will be entitled to a maximum of 12 weeks of family and medical leave in the designated 12-month period.

However, leave because of the employee's disability for pregnancy, childbirth, or related medical condition is not counted as time used for employees eligible under the California Family Rights Act (CFRA). Once the pregnant employee is no longer disabled, she may apply for leave under CFRA for purposes of baby bonding.

Return-to-Work Statement

The employee must notify Human Resources of his or her intent to return to work at least two (2) weeks prior to the scheduled return date. If a leave is due to the employee's own serious health condition, the employee must present a return-to-work statement to the supervisor and Human Resources. Reinstatement may be delayed, and the time is without pay, until the employee submits the return-to-work statement. This statement must specify whether the employee is able to work and any restrictions on the employee's ability to work.

If an employee is unable to return to full duties without restrictions, a detailed description of the limitations/accommodations must be provided in advance to the supervisor and Human Resources. Reasonable accommodations may be extended to the employee if suitable work is available. If suitable work is not available, the employee will be notified by Human Resources and remain on leave without

pay. In some instances, an employee may be required to submit to a medical examination before returning to work at the sole discretion of the Company.

Reinstatement

Under most circumstances, upon return from family and medical leave covered under state or federal law, and pregnancy disability, an employee will be reinstated to their original job, or at the discretion of the Company, an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee has no greater right to reinstatement than if he or she had been continuously employed rather than on leave. For example, if an employee would have been laid off had he or she not gone on leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement. In addition, an employee's leave of absence will not result in the loss of any employment benefit that the employee earned before taking a leave. The date of reinstatement is determined when the leave is granted unless an extension is approved and a new reinstatement date determined.

Reinstatement after a leave may be denied to certain salaried "key" employees under the following conditions:

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

Any employee who has been on time off pursuant to this policy, and who has not performed any services for the Company for any reason whatsoever, for a period of six (6) consecutive months will be administratively terminated. 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.

For additional information about on leaves of absence, contact Human Resources at 1-877-691-2147 (1-877-My-121-HR).

3.5.1 Family and Medical Leave (FML)

Harte Hanks complies with all statutory provisions of Federal and State laws when administering family and medical leave and which are in effect at the time the leave is granted. The request is subject to the approval of the health care provider of the employee or the health care provider of the employee's child, parent, or spouse.

Under most circumstances, leave under the Family and Medical Leave Act (FMLA), which is a federal regulation, allows eligible employees the right to take up to 12 workweeks in a rolling 12-month period. An employee is eligible for up to 26 workweeks to care for a covered service member under the FMLA. Total leave taken is limited to a combined total of 26 workweeks for all types of FMLA leave. Leaves that

extend beyond FMLA entitlement are automatically converted to a personal leave as an Extended Absence when the time off is medically necessitated.

Federal and State family and medical leave statutory provisions provide leave when all the following conditions are applicable:

- The employee has more than 12 months of continuous service immediately preceding the commencement of leave. If the leave qualifies under FMLA, the 12 months of service may be accumulated within the previous seven years;
- The employee has worked at least 1,250 hours during the 12-month period immediately preceding the start date of the leave;
- The employee has not used all FMLA leave that is available in a 12 month period;
- The employee is at a worksite where there are 50 or more employees within a 75 miles radius;
and
- There is a qualifying event

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

- A serious health condition that makes the employee unable to perform one or more of the essential functions of his or her job, as certified by his or her health care provider;
- The birth of a child and to bond with the child within one year of birth;
- The placement with the employee of a child for adoption or foster care and to bond with the newly placed child within one year of placement;
- To care for the employee's spouse, dependent son or daughter, or parent who has a serious health condition, as certified by the family member's health care provider; or
- For any "qualifying exigency" under FMLA because the employee is the spouse, son, daughter, or parent of an individual on active military duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation/

Spouses or Domestic Partners, as defined under the Company's benefit policy, who are both employed by the Company, will be limited to a combined total of 12 workweeks of leave during the 12-month period in which the leave is taken for reasons other than their own serious health conditions.

For purposes of FML leave taken for birth, adoption, or to care for a family member with a serious health condition, an eligible employee's biological, adopted, or foster child is a stepchild, a legal ward, or a child for whom the employee is standing *in loco parentis* who is either under age 18 or incapable of self-care because of a mental or physical disability (as defined by the Americans with Disabilities Act) at the time FML is to commence. Leave granted to care for the employee's newborn, adopted, or foster care child shall be initiated and concluded during the 12 months following the child's birth or placement for adoption or foster care.

The term parent does not include parents "in-law."

Certain states provide for longer leave periods and employees in such states will be given leave in accordance with state regulations. FMLA does not supersede any state law which provides greater family or medical leave rights. Unless required by law, such leave will run concurrent with the 12-week entitlement under family and medical leave.

You may be eligible for Short Term Disability (STD) or Long Term Disability (LTD) benefits while you are on a non-work related Disability Leave. Contact hr@3QDigital.com for additional information.

Intermittent Leave and Reduced Work Schedule

Under leaves covered by FML, intermittently or on a reduced leave schedule may be granted if the leave is because of your own serious health condition, or to care for your spouse, partner, son, daughter, or parent with a serious health condition, where medically necessary. Intermittent leave is leave taken in separate blocks of time. A reduced leave schedule is a leave schedule that reduces an employee's usual number of working hours. A note from the treating health care provider recommending an intermittent or reduced leave schedule is necessary in order to consider and grant intermittent leave or a reduced work schedule.

If you need an intermittent or reduced leave schedule, you must attempt to schedule your leave so as not to unduly disrupt the Company's operations, when requested. If you need an intermittent or reduced schedule leave for foreseeable planned medical treatment, the Company may temporarily transfer you to an alternative position with equivalent pay and benefits for which you are qualified and which better accommodates recurring periods of leave.

Required Documentation

When you take leave to care for a newborn or newly placed child or to care for a family member with a serious health condition, the Company may require you to provide documentation of family relationship.

For leave because of your own or your family member's serious health condition, you are required to submit a medical certification from a health care provider, stating that your leave is medically necessary and noting the duration of the leave, including intermittent leave. You will be notified if additional requirements apply to the type of leave you are requesting.

All medical information related to leaves, whether verbal or written, will be kept confidential to the maximum extent possible. Employees are advised to limit discussions related to medical information to their Human Resources representative in charge of managing the leave process.

3.5.2 Pregnancy Disability Leave (PDL)

Pregnancy Disability Leave (PDL) is an unpaid leave that provides job protection for employees who are specifically disabled due to pregnancy-related conditions (e.g., prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, recovery from childbirth, or any related medical condition) and FML does not apply. An employee generally has the right to return to the same position once her PDL leave is over unless, for legitimate business reasons unrelated to the employee's pregnancy or leave, the employee would have been laid off even if she had not taken the leave or the length of leave exceeds 12 weeks over a rolling 12-month period. Additional leave time may be available where required by law in the employee's work location. If the employer, for legitimate business reasons, cannot reinstate the employee to the same position, you may return to a comparable position if one is available.

A maternity leave is considered a pregnancy disability to take time off before the birth or to bond with the new baby. This is an unpaid leave that must be approved by the Company. Employees planning to take maternity or PDL should advise their Manager as early as possible.

Upon the request from an Employee and recommendation of the Employee's health care provider, the Employee's work assignment may be changed if necessary to protect the health and safety of the Employee and her child. Requests for transfers of job duties will be reasonably accommodated if the job and security rights of others are not breached.

The transferred Employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons.

Pregnancy leave begins when ordered by the Employee's health care provider. The Employee must provide the Company with a certification from a health care provider. Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Under most circumstances, upon submission of a medical certification that the Employee is able to return to work from a pregnancy disability leave, an Employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available. An Employee returning from a pregnancy disability leave has no greater right to reinstatement than if the Employee had been continuously employed.

Coordination of PDL with Family/Medical Leave

Leave taken under the pregnancy disability policy runs concurrently with family and medical leave under Federal law (FMLA), but not family and medical leave under California Law (CFRA). Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time. California Family Rights Act leave taken for the birth or placement of a child will be granted in minimum amounts of two weeks. However, the Company will grant a request for a California Family Rights Act leave (for birth/placement of a child) of less than two weeks' duration on any two occasions. Any leave taken must be concluded within one year of the birth or placement of the child with the Employee.

3.5.3 Extended Absences

An employee who is not eligible for family and medical leave, pregnancy disability leave, or any regulatory leave, may request an Extended Absence when the absence will exceed ten (10) work days. When business conditions permit, requests for an Extended Absence may be considered and are granted, at the discretion of the Company taking into account the operational needs of the business. All Extended Absences, regardless of reason, must be scheduled and approved in advance. Even if you do not specifically request family and medical leave under family and medical leave, the Company may designate time away from work as FMLA if the leave meets the requirements outlined in the policy, as well as state and federal law. You will be advised if your leave is designated as time under FMLA.

An Extended Absence is discretionary leave and is not an entitlement. The Company has the right to deny a request for an Extended Absence unless the time off is approved as a reasonable accommodation under the Americans with Disabilities Act (ADA).

All time off under an Extended Absence is without pay and reinstatement is not guaranteed. Before requesting an Extended Absence, banked paid time off must be exhausted prior to the start of an Extended Absence.

3.5.4 Military Leave

The Company 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.

If an employee is called to active military duty or the reserve or National Guard training, or if an employee volunteers for the same, the employee should submit copies of military orders to the on-site Supervisor as soon as possible. The employee will be granted a military leave of absence without pay for the period of military service, subject to and in accordance with applicable Federal and State laws. If the employee is a reservist or a member of the National Guard, the employee is granted time off without pay for required military training. Exempt employees who perform any Company work in a week in which they

also have military duty will be paid their full salary for the week. Eligibility for reinstatement after military duty or training is completed is determined in accordance with applicable Federal and State laws.

Employees on military leave may, at their discretion, substitute bank time if available, for this leave. Otherwise, the time is without pay. When available for work on behalf of the Company, time paid by the military (for the same work day) is coordinated with pay received from Harte Hanks.

The employee may elect continuation of health care benefits through COBRA if the time off will exceed 12 weeks. Contact hr@3QDigital.com for additional information on COBRA.

Military Leave is requested in HR Zone > Home > FMLA Leave Administration. This page will give you options to select Military Leave as well.

3.5.5 Public Service Emergency Volunteer Leave

If you are participating as a volunteer firefighter, reserve peace officer, or emergency rescue personnel, please notify your Supervisor so that the Company is aware of the fact that you may have to take unpaid time off for emergency duty. In the event that you need to take time off for emergency duty, please alert your Supervisor in advance whenever possible.

3.5.6 Domestic Violence Leave

Employees who are victims of domestic violence are eligible for unpaid leave. You may request leave if you are involved in a judicial action, such as obtaining restraining orders, or appearing in court to obtain relief to ensure your health, safety, or welfare, or that of your child.

You should provide notice and certification of your need to take leave under this policy. Certification may be sufficiently provided by any of the following:

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

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

If you or someone you know is experiencing domestic violence, the Company offers additional resources through the Employee Assistance Program (EAP). EAP offers confidential consultation, assessment and referral, and short-term counseling to help employees and their household members. Trained domestic violence counselors are available 24 hours a day, seven days a week by telephone.

3.5.7 Leave for School Activities

Employees are encouraged to participate in the school activities of their child(ren). The absence is subject to all of the following conditions and employees are not penalized for taking the unpaid time off:

- Parents, guardians, or grandparents having custody of one or more children in kindergarten or grades one to 12 may take time off for a school activity;

- The time off for school activity participation cannot exceed eight hours in any calendar month, or a total of 40 hours each school year;
- Employees planning to take time off for school visitations must provide as much advance notice as possible to their Supervisor;
- If an Employee who is the parent or guardian of a child facing suspension from school is summoned to the school to discuss the matter, the employee should alert his or her Supervisor as soon as possible and before leaving work.

CHAPTER 4: PERFORMANCE AND PROFESSIONAL CONDUCT

4.1 We Will Conduct Business Ethically

As an 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.

Employee standards of conduct are not designed to be all-inclusive. It would not be practical to list all possible misconducts. As adults, each employee is responsible for reasonable common sense behavior. The following are examples of misconduct:

- Committing or involvement in any act of harassment of another individual;
- Theft of any Company property, or the property of any employee or Client;
- Unauthorized charges against Company accounts or claiming reimbursements for improper expenses.

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

4.2 Performance Evaluations

The standard performance reviews are conducted twice each year. Favorable performance evaluations do not guarantee increases in salary or promotions or continued employment. Salary increases and promotion are solely within the discretion of the Company and depend upon many factors in addition to performance.

These collaborative evaluations give employees and Managers an opportunity to exchange ideas that will strengthen their working relationship, review, and anticipate company needs in the coming year. The purpose of the review is to encourage the exchange of ideas in order to create positive change within the Company. Both Manager and employee should attempt to arrive at an understanding regarding the objectives for the coming year.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your commitment to providing the best possible customer service to both external and internal customers, your knowledge of the job, and your initiative. The performance evaluation should help you become aware of your performance, goals for future performance, and your progress and areas for improvement.

4.3 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 the Company or its clients and vendors must be returned upon completion of your employment.

4.4 Work Attire, Appearance and Hygiene

It is important that all employees dress neatly and appropriately while at work. Please report to work properly groomed and wearing appropriate clothing that is in a manner consistent with the nature of the work performed. Employees are permitted to wear “casual” attire during work hours. Personal grooming and attire should respect the diversity of taste and style, but avoid extremes of fashion. Clothing should not bear slogans, graphics, contain holes, or other features that could be considered offensive to others and/or create a hostile work environment. Open toed shoes or sandals, which include sling backs and clogs, are not allowed in any production/warehouse area. If you request an exception to these guidelines, just must do so in writing to your manager.

Employees who report to work inappropriately dressed may be asked to leave and return in acceptable attire. Under such circumstances, non-exempt employees will not be compensated for the time away from work. When working at a Client site, please check with your supervisor for appropriate attire. Strong colognes, perfumes, body sprays and lotions should be avoided in the workplace.

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 supervisor to see if and when an exception may apply to you.

4.5 Use of Electronic Cigarette, Tobacco and Tobacco Products

Electronic cigarettes 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.

4.6 Drug and Alcohol Use

The Company is committed to a safe, healthy, and productive workplace. The Company is concerned about your health and the hazards associated with drug use and alcohol abuse. Alcohol, drug, or other substance abuse by Employees will impair their ability to perform their job properly and can have serious and adverse effects on the safety and productivity of other Employees and the Company. We expect you to assist us in making certain our offices, businesses, and social gatherings are free of any distribution, possession, or use of unlawful or controlled substances (under Federal and/or State law).

In accordance with the Federal Drug-Free Workplace Act, you may not illegally manufacture, distribute, dispense, possess, or use controlled substances in the workplace. You must disclose to 3Q any criminal conviction for manufacturing, distributing, dispensing, possessing, or using controlled substances within five days of such conviction. It is also the Company's policy to strictly prohibit Employees and others working on Company premises from reporting to work or working under the influence of unauthorized or illegal drugs (under Federal and/or State law) and/or alcoholic beverages.

The Company recognizes alcohol or drug dependency as a treatable condition. Employees who suspect they have an alcohol or drug dependency condition are encouraged to seek advice and follow appropriate treatment promptly before it results in performance problems.

If you violate the Company's policy against illegal use or possession of drugs or the abuse of alcohol, you will be subject to disciplinary action, up to and including termination of employment. Alternatively, you may be offered admission to a rehabilitation program selected by the Company (per the benefits programs; all associated costs beyond the benefits coverage would be the Employee's responsibility). If you are offered treatment and you refuse help or fail to satisfactorily complete the program, or if the Company decides it is not in the Company's best interest to retain you and continue your employment, you will be discharged. Any reoccurrence of similar problems or incidents following the completion of a rehabilitation program will result in immediate termination of employment.

Employees who drink alcohol at Company-sponsored events are expected to do so in moderation. If, while attending such an event, you feel that you may have overindulged, we encourage you to seek assistance from a 3Q senior manager. In such situations, 3Q will provide transportation home and will pay reasonable expenses for such transportation. In the rare event that you become intoxicated at a Company-sponsored event, our primary concern is your safety and the safety of others. You will not be disciplined or retaliated against if you acknowledge your overindulgence and responsibly present yourself to management for transportation home. The above also applies to Company-sponsored social events held off the premises.

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.

4.7 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 the Company.

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.

Company 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.

4.8 Company Property

Desks, computers, Company-owned cell phones, printers, and other office equipment are the property of Harte Hanks and are to be used only for work-related purposes. In this Handbook, "Harte Hanks Systems" means Harte Hanks, which includes 3Q, information technology systems or services, including, but not limited to, any Company telephone, cell phone, mobile communications or electronic device, email, Internet, Intranet, Instant Messaging, or network systems as well as personal mobile devices that access Harte Hanks Systems may be used only for legitimate business purposes. You have the responsibility to use Harte Hanks Systems professionally, ethically, and lawfully. The Company reserves the right to monitor and inspect all Company property without notice to the employee and at any time, not necessarily in the employee's presence. As a result, you should have no expectation of privacy in your use of Harte Hanks Systems. The Company may limit personal use if there are violations of this policy.

Harte Hanks may freeze accounts or files to maintain the integrity of certain data and any Harte Hanks Systems. In some cases, government agencies or other third parties may have a legal right to access Harte Hanks records or information, including information stored in 3Q Systems. Such government agencies or third parties may lawfully obtain, with or without your knowledge or consent, any electronic information or communications in the Harte Hanks Systems.

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.

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.

4.9 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 in the Company's parking lot is prohibited.

The Company does not accept responsibility for the security of your vehicle or its contents while it is parked on Company 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.

4.10 Solicitation and Distribution

In order to ensure efficient operation of the Company's business and to prevent annoyance to employees, it is necessary to control solicitations and distribution of literature on Company property. The Company has established rules applicable to all employees governing solicitation, distribution of written material, and entry onto the premises and work areas. All employees are expected to comply strictly with

these rules. Any employee who is in doubt concerning the application of these rules should consult with his or her Supervisor immediately.

Employees may be permitted to solicit or distribute written material only with prior written approval from the Management team.

Under no circumstances will non-employees be permitted to solicit or to distribute written material for any purpose on Company property.

4.11 Disciplinary Action

All employees are expected to maintain a level of performance and productivity that meets the Company standards. Occasionally there may be incidents of misconduct that require disciplinary action to be taken. While it is impossible to provide rules or guidelines for every type of situation, the following general guidelines are meant to assist employees in conforming their conduct to Company standards.

This corrective section serves as a guideline only in determining the appropriate action needed in a particular situation. The Company reserves the right to:

- Review each situation in its entirety; and
- Deviate from this policy whenever we deem it is necessary.

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 corrective action approach is designed to help you understand what we expect and to give you the guidance you need to improve your job performance.

Violation of Company policies and rules and/or engaging in misconduct may call for some form of disciplinary action. Disciplinary action may include any of the following: verbal warning, written warning, suspension, and/or termination. The circumstances of each case will be considered in determining the appropriate disciplinary action.

Although there is no way to identify every possible violation of standards of conduct, the following is a partial list of infractions that can result in disciplinary action, up to and including, immediate discharge:

- Falsification of Company records, including, but not limited to: forms, records or reports, time cards, or application materials.
- Unauthorized charges against Company accounts or claiming reimbursements for improper expenses.
- Unauthorized possession of Company, Client, or Employee property; fraud; gambling; theft; carrying or having possession of weapons or explosives (on your person or on the premises); violations of criminal laws or conviction of a felony while employed by the Company.
- Deliberate or careless damage or destruction of any Company, Client, or Employee property.
- Causing, creating, or participating in a disruption of any kind during working hours on Company or Client property.
- Fighting, threatening, intimidating, abusive behavior and language, or other disorderly conduct.
- Insubordination or refusal to comply with instructions or failure to perform duties to which assigned. Incompetence, failures to perform assignment work in an efficient manner, or performance that does not meet the requirement of the position.
- Release of confidential information regarding the Company or Company business.
- Being absent from work without permission, reoccurring tardiness, or abuse of sick leave.

- Being under the influence of alcoholic beverages, drugs, or other intoxicants during work hours. NOTE: This includes abuse of prescription drugs and the non-reporting of prescription drugs which may create safety problem for the Employee, co-workers, and/or the public.
- The harassment of any Employee due to his/her membership in any protected class (i.e., sex, race, color, age, religion, disability, etc.).
- Violation of safety rules and practices, or engaging in activity that creates a safety hazard.
- Any action or inaction that is a hindrance to the effective performance of Company function or reflects discredit upon the Company.

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

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 arise 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 Company 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.HARTEHANKS.COM. 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.

4.13 Workplace Violence

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

Any acts or threats of physical violence, including intimidation and/or coercion which involve or affect the Company, its employees, or its clients and occur on Company property or elsewhere when in connection with employment with the Company, 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. The Company 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.

4.14 Post Offer Drug Screening

Upon request, a new employee may be requested to complete a post offer drug screen prior to starting work. If requested and a positive result is confirmed, any offer of employment will effectively be cancelled. The employee is not eligible to re-apply with Harte Hanks for a period of at least six months. Employees will be notified in when drug screening is a continued condition of employment.

4.15 Drug and Alcohol Testing

The Company is committed to maintaining a safe and productive work environment for its employees. The Company recognizes that the use of prohibited drugs by employees and alcohol intoxication while on the job creates a safety hazard and interferes with efficient job performance. All employees, as a condition of continued employment, are expected 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 intoxicated '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 supervisors may be randomly tested several times per year.
4. If a business location elects to conduct random testing.

In cases requiring testing, the supervisor will review the results of all tests with Human Resources and determine the appropriate action. Any test results clearly indicating that an employee was, while on the job, intoxicated under the influence of alcohol or a prohibited substances, will result in appropriate disciplinary

action, 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.

4.16 Criminal Offenses

The Company desires to provide a healthy, safe, and secure workplace and environment for everyone. Employees 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 impact the employee's ability to remain on a current contract or result in the termination. Consideration of an employee's convictions will be consistent with applicable federal and state laws.

CHAPTER 5: SEPARATION FROM EMPLOYMENT

5.1 Resignations

Conditions may arise which will lead either you or the Company to terminate your employment without prior notice or corrective discipline. You or the Company may terminate your employment at any time with or without cause.

If you choose to resign and exercise your at-will employment option to leave the Company, please do so in writing and indicate your reason for leaving, the effective date of your resignation, and provide a forwarding address. The Company would appreciate a two (2) weeks' notice or as much advance notice as possible, so that plans can be made for your replacement or reassignment of your duties. If you can or would like to give more than two (2) weeks of notice, discuss this option with your supervisor. The Company is not obligated to allow you to work any days after a notice has been given and the length of time worked is determined on a case by case basis. You will be paid only for those days that you have worked.

If you quit without notice, we will send your final paycheck mailed to the most recent address in our records, unless you have directed us otherwise.

Harte Hanks does not maintain a formal severance pay to employees who separate from employment for any reason. Severance pay should therefore not be expected.

5.2 Job abandonment

An employee who fails to report to work for two consecutive scheduled workdays without notice to, or approval by, his or her Supervisor before the start of his or her work schedule will be considered as voluntarily resigning their employment.

All Company-owned property, including computer, keys, and any materials, books, supplies, or equipment previously issued, must be returned immediately upon termination of employment.

5.3 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.

5.4 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.

5.5 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. 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.

5.6 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.

5.7 Exit Interview

It is the policy Harte Hanks that all separating employees shall participate in an Exit Interview and may complete the online departure survey (<https://www.surveymonkey.com/s/LLYZZ2W>) or request an exit meeting with a Human Resources representative. A telephone interview will be arranged. The exiting employee's supervisor will not participate in the exit interview but the employee and supervisor are encouraged to discuss any matters of interest. Information collected during the Exit Interview Process shall be kept confidential, to the extent possible, and will not be used in any way to reflect upon the exiting employee. Employees are encouraged to be candid and to ask any questions they may have regarding their separation. The exit interview is intended to give the employee a chance to speak freely about their employment experience at Harte Hanks.

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 supervisor 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.

Every employee is responsible for safety and must be safety conscious. Please report any unsafe or hazardous conditions directly to your Manager or HR immediately. Every effort will be made to remedy problems as quickly as possible (and remember not to run with scissors in your hands!).

Workplace Security

Be aware of persons loitering for no apparent reason in entrances, exits, and parking areas. Report any suspicious persons or activities to management. Secure your desk or office at the end of the day. When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in or around your work area that may be accessible. The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify management when unknown persons are acting in a suspicious manner in or around the facilities. If you believe that you or any other 3Q associate has any concern for their safety while at work, please let management know 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. Cross reference Chapter 7.6.

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.

CHAPTER 7: COMPENSATION AND BENEFITS

7.1 Payday and Paychecks

There are twenty-six (26) pay periods per year. Pay checks are issued on a bi-weekly schedule on Fridays. Your regularly scheduled paydays are available from Human Resources. 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 your home address, unless you contact the Payroll 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.

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 (<https://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. If you want to change the number of your exemptions or your marital status for Federal or State income tax withholding purposes, you must submit a revised W4 form to Payroll Support via fax (954-281-1604). Due to sensitive personal information, the W-4 form is only acceptable as a fax. Please obtain a W-4 form from HR Zone (hr.hartehanks.com > Home > HR Support > Knowledge Base) or you may go to the IRS website directly (<http://www.irs.gov/pub/irs-pdf/fw4.pdf>). Any questions about your paycheck should be directed to Payroll Support (payroll_support@harte-hanks.com).

Direct Deposit

Harte Hanks 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 the direct deposit form and fax it to Harte Hanks Payroll Support (954-281-1604). It will take one pay cycle before your direct deposit account is verified. 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 HR Zone (Home > HR Support > Knowledge Base) and return it to Payroll Support at least 10 work 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 direct deposit has cancelled.

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 Overtime for Employees

An exempt status employee receives a salary but is not entitled to overtime pay under Federal and applicable State laws, regardless of the number of hours worked in a week.

Non-exempt status employees receive either a salary or paid by the hour for time worked. Employees in this classification are entitled to overtime pay for hours worked in excess of 40 hours in one workweek, or as otherwise required by local law. You must assist with overtime work when it is assigned. Management must approve all overtime in advance. If you fail to receive advance approval before working overtime, you will be subject to disciplinary action, up to and including termination. Hourly employees are required to submit a timesheet.

7.5 Group Benefits

The Company offers 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 master contracts or master plan documents, shall govern in all cases. If you have any questions, you should consult the Human Resources.

At time of hire, or once a year during open enrollment, you may enroll in the Company's Group Medical, Dental, and/or Vision Plans. Open enrollment occurs each year in or around the month of November, with benefits beginning January 1 of the following year.

The Company reserves the right to amend, modify, or discontinue these plans at any time.

Eligibility for Benefits

All full-time employees who regularly work 30 hours or more per week are eligible for benefits. Coverage begins on the 1st day of the month following your date of eligibility unless otherwise noted.

Your eligible dependents include:

- Your spouse (unless you are legally separated);
- Your domestic partner;
- Your dependent children, up to age 26, regardless of their student or marital status.

Part-time, temporary, and seasonal employees are not eligible for benefits.

If you decline enrollment for your dependents (including your spouse) because of other health insurance coverage, you may in the future enroll yourself or your dependents in the Company's health coverage, provided that you request enrollment within 30 days after your other medical coverage involuntarily ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days of the qualifying event. If your change request is not received within 30 days, you may add the new dependent to the medical plan during Open Enrollment.

401K Retirement Plan

Harte Hanks offers a 401K Retirement Plan to help you save for your retirement. Employee contributions are made through payroll deduction, thus reducing your taxable income. Employees are eligible to participate in the 401K plan on the first of the month following 90 days of service. Further information and enrollment details are available in HR Zone or from the plan provider, Merrill Lynch at <https://www.benefits.ml.com/login>. Questions may be directed to Merrill Lynch at 1-800-228-4015.

Benefits coverage and providers are evaluated 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. Consult with Human Resources or HR Zone (hr.hartehanks.com) for recent updates.

COBRA - Continuation of Coverage

Federal law requires Harte Hanks, as an Employer sponsoring a group health plan, to offer employees and their families the opportunity to elect a temporary extension of health coverage (called "continuation coverage" or "COBRA coverage") in certain instances where coverage under the Plan would otherwise end, such as if your employment ends or if your work hours are reduced. You may have to pay the entire premium for your continuation coverage.

In the event that you become divorced or legally separated, or one of your dependents ceases to be eligible for coverage under our group health insurance plans, you and/or your dependent are responsible

for notifying the Company to obtain information regarding your continuation/conversion rights. For questions related to COBRA, contact hr@3Qdigital.com.

7.6 On the Job Injury Protection

Harte Hanks provides insurance coverage for employees in case of a work-related injury. If you are injured on the job, you must notify your Manager immediately, who will submit the required forms promptly to Human Resources to file a claim. You will be referred to an Occupational Health Facility for medical treatment for up to 30 days. You may, at your discretion and prior to a work-related injury, provide the Company with a written notice that you wish to be treated by your own physician. Failure to report work-related injuries is a violation of Company policy and can result in a violation of legal requirements. It also can lead to difficulties in processing insurance and benefit claims. Employees who fail to report on-the-job injuries immediately may be disciplined, up to and including termination of employment.

Harte Hanks to notify the workers' compensation insurance company of any concerns of false or fraudulent claims. Any employee who makes or causes to be made any knowingly false or fraudulent material statement or material misrepresentation for the purpose of obtaining or denying workers' compensation benefits or payments is guilty of a felony.

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

If you are absent from work for more than seven (7) days due to a job-related illness or injury, you may qualify for workers' compensation benefits. While you are receiving workers' compensation wage benefits you may not use any paid leave benefits, which includes PTO, to supplement the workers' compensation benefits.

An employee who is receiving temporary disability payments under the Worker's Compensation Act shall be granted a leave without pay for all or part of the period during which temporary disability payments are received except that such a leave shall not extend beyond any pre-determined date of separation. An employee who is granted work-incurred disability leave, and who is entitled to family and medical leave, shall have that time counted against the FMLA 12-workweek entitlement if the work-incurred injury qualifies as a serious health condition

CHAPTER 8: TIME OFF BENEFITS AND POLICIES

8.1 Paid Time Off

3Q Digital employees have an unlimited paid time off (PTO) policy. Paid time off will not accrue and is not limited by days or hours per year. The Company will grant paid time off to eligible employees to use for the following: personal business, vacation, sickness, or holiday; to attend to a child, parent, spouse, or domestic partner who is ill for up to two (2) weeks; or whenever the time off is needed.

The Company believes its employees understand the value of an unlimited time off policy and will not seek to exploit it. The Company understands that some of its employees may not seek to avail themselves of this benefit; in these cases, our managers may issue a number of discretionary PTO days as a reward for good work.

The details of the unlimited time off policy are as follows:

- Unlimited doesn't mean limitless. When we say that we have an unlimited PTO policy, we mean that we will not officially limit the number of PTO days (hours) that an employee can take. As with the previous policy, time off must be requested from Managers, and time off awarded will be at the Manager's discretion.
- Unlimited doesn't mean unplanned. This policy doesn't allow employees to simply "not show up" without first contacting their Manager. The success of this policy will come from the communication between employees, team members, and their Managers.
- Unlimited doesn't mean that we won't track the time. We are still going to track when employees take or do not take time off. For us, there are two potential kinds of offenders to this policy: those who take too much time and those who don't take enough. We want to make sure that all employees are taking the time needed to renew and recharge for the road ahead.
- To schedule planned PTO, you should request advance written approval from your Manager by submitting a PTO Request Form. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.
- If you have an unanticipated need to be absent from work, please notify your direct manager before the scheduled start of your workday. Your Manager must be contacted on each additional day of unexpected absence.
- Any PTO accrued (or banked time) before the start of the unlimited PTO policy will be paid out when an employee terminates from the Company; the pay rate will be equal to the employee's pay rate when the termination occurs, not when the PTO was accrued. The pay rate does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

8.2 Holidays

Below are the generally recognizes the holidays. The holiday calendar is published annually and is subject to change. Holiday pay will be based on a rate equal to the employee's regularly scheduled work hours for the following holidays:

- New Year's Day
- President's Day (Floating Holiday)
- Memorial Day
- Independence Day
- Labor Day

- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve
- Christmas Day

When a holiday falls on a weekend, the Company will designate the Friday preceding or the Monday following as the observed holiday at the discretion of the Company. Regular full-time employees are paid based on their normal scheduled hours for each holiday. Part-Time, Temporary, or Seasonal employees are not paid for holidays. 3Q has designated President's Day as its annual floating holiday.

Employees wishing to take religious holidays not listed on the holiday schedule may request paid time off or be allowed unpaid time off in observance of those holidays.

8.3 California and Massachusetts Sick Leave

Part-time and temporary employees who are not eligible for any paid time off benefit 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. The maximum benefit level for California is 24 hours per 12 months. The maximum benefit level for Massachusetts is 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 or borrowed time is not allowed. Because sick leave may carry over 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. Unused sick time is not compensable at termination (voluntary or involuntary departures).

8.4 Bereavement

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, brother, sister, child, parent, grandchild, grandparent, and mother-, father-, sister-, brother-, son-, or daughter-in-law.

The employee's supervisor may approve additional unpaid time off per incident.

8.5 Jury / Witness Duty

If you receive a jury summons or subpoena to appear as a witness in an administrative or legal proceeding, let your supervisor know immediately. If you are required to serve on a jury or as a witness, exempt employees will be paid full salary for any week they are on jury/witness duty, if they also perform work for the Company. Non-exempt employees will be paid for jury/witness duty and are expected to work as much of their regularly scheduled shift as the jury/witness duty schedule permits to the extent that the combined time on jury duty and at work does not exceed forty (40) hours on a given week. The maximum paid time for jury duty when no work is performed is 5 days per year.

Adequate proof of service must be provided in order to receive your regular salary during your absence for jury duty. When you return to work, you should provide your Supervisor with verification from the court of the number of days you served on the jury. Employee may retain jury fee.

An employee does not qualify for pay under this policy when the employee is the plaintiff or defendant in a proceeding, is called or subpoenaed as a paid expert witness not on behalf of the Company, or is called or subpoenaed because of duties for another employer. Time lost under these conditions will be considered a scheduled day off without pay.

8.6 Time Off for Voting

If an employee does not have sufficient time outside of working hours to vote in a statewide primary or general election, the employee may take unpaid off time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Employees requesting time off to vote must give his or her Supervisor at least two days' advance notice.

8.7 Work from Home

3Q allows the flexibility for employees to occasionally work from home. Employees who work out of a 3Q office may be eligible to work from home up to three days a week, once they receive advance approval from their manager. Under this type of arrangement, the employee's payroll taxes are based on their office location. Additional approvals are required if an employee requests to work from home for more than three days per week, as the employee would need to be classified as a Remote employee, or when there is a change to the employee's work state.

Working from home is a privilege and not a right nor an entitlement; it may be revoked at any time. The same level of productivity, availability, timeliness, etc. as if you were in the office is expected; if not, working from home can be revoked. Working from home can be extended in special time off circumstances, e.g. vacation, time during Thanksgiving if you go back to home to Boston for a week, you may be approved to work from home from that location for the duration.

Certain employees may be ineligible to work from home (i.e., Interns, temporary employees) while others may have limited eligibility to work from home due to the nature of their job functions which require them to be onsite.

Under no circumstances are employees permitted to work from home without prior permissions.

CHAPTER 9: TRAVEL AND ENTERTAINMENT POLICY

Purpose

This document establishes procedures and provides guidelines for 3Q Digital (including its division and subsidiaries, the "Company") Employees and contractors incurring business travel and entertainment expense ("traveler(s)").

Objective

- Ensure that all Employees and contractors have a clear and consistent understanding of Company policies and procedures for business travel and entertainment; and
- Provide business travelers with an appropriate level of service and comfort at a reasonable cost.

Scope

This travel policy applies to all Employees and contractors of the 3Q.

Responsibility and Enforcement:

The Employee is responsible for complying with the travel policy. The approver is responsible for accurately reviewing expense reports for compliance. The Company will reimburse Employees for all reasonable and necessary expenses while traveling on authorized company business. The Company assumes no obligation to reimburse Employees for expenses that are not in compliance with this policy.

Travelers who do not comply with the travel policy may be subject to:

- Delay or withholding of reimbursement
- Disciplinary action

Statement of General Policy

It is recognized that travel and entertainment expenses are incurred in order to further business objectives. Travelers are expected to be conservative in their spending, while Managers are expected to be diligent in their review. Policies and guidelines are necessary to meet Federal requirements, and they are intended to justify reimbursable expenses incurred by Company Employees. In general, the quality of travel accommodations, entertainment, and related expenses should be governed by what is reasonable and appropriate given the business purpose.

Travel and Expense Best Practices and Guidelines

Preferred Methods of Booking Travel

Travelers should make reservations as early as possible to take advantage of advance purchase discounts. Employees are to schedule their own travel and must follow the guidelines and procedures outlined in this policy. Each traveler must schedule the most cost efficient service possible. If the Employee is unable to pay for advance travel reservations, the Company may assist in making arrangements. Employees should book on discount online travel services or direct with airlines whenever possible.

Travel Notifications

It is the responsibility of the traveler to advise his/her manager of anticipated travel requirements prior to making arrangements, thereby effectively obtaining pre-trip approval.

If the purpose of the travel is client related, it is also the traveler's responsibility to check the client's contract. Most clients have a clause allowing bill back of expenses if certain conditions are met. Travelers must ensure these conditions are met prior to incurring any expenses.

Air Transportation

All air travel must be booked in the lowest logical coach/economy class airfare, which may include restricted and non-refundable fares depending on the nature of the travel. Generally, round trip tickets from the same airport are the least expensive option; exceptions may be made for a multi-client trip with prior authorization.

Air Upgrades

Upgrades at the expense of the 3Q are NOT permitted; however, upgrades are allowed at the traveler's personal expense and are the sole responsibility of the traveler. Upgrades must NOT be charged on a corporate charge card.

Airline WiFi

The Company will reimburse for WiFi use on flights. Original receipts are necessary for eligibility to be reimbursed.

Frequent Flyer and Other Benefits

Any discount/frequent flyer coupons accumulated by a traveler on business travel will remain the property of the traveler. Travelers are **NOT** to arrange a more expensive flight in order to accumulate points.

Personal Travel

Business travel combined with personal travel requires approval by a Supervisor for reimbursement.

Companion Travel

The Company **will not** reimburse travel and entertainment expenses incurred by a non-employee partner or other individual accompanying an associate on business.

Lost or Excess Baggage

The ultimate responsibility for retrieving and compensation for lost baggage lies with the airline. Compensation by the Company for any items not reimbursed by the airlines must be approved by the 3Q SVP of Operations.

Follow these procedures if your bags are lost en route:

- Obtain a lost luggage report form from an airline representative in the baggage claim area;
- Itemize the contents of your bag, including receipts whenever possible;
- Include a copy of your airline ticket and baggage claim stubs;
- Keep a copy of the report, airline ticket, and claim stubs.

Travelers will be reimbursed for excess baggage charges only when traveling with heavy and bulky material or equipment necessary for business or other Company property.

Overnight Delays

Should an airline delay necessitate an overnight stay, the traveler must first attempt to secure complimentary lodging from the airline. If unsuccessful, the traveler should arrange for a hotel and submit the expense for reimbursement.

Cancellations

When a trip is canceled after the ticket has been issued, the traveler should inquire about using the same ticket for future travel.

Unused Airline Tickets

Unused airline tickets or flight coupons must never be discarded or destroyed as these documents may have a cash value. The traveler should follow up with the airline to obtain any applicable credit for unused tickets.

Lost or Stolen Tickets

The traveler is responsible for the value of the lost ticket(s) including fees charged by the airline for processing the lost ticket application.

Missed Flights

Travelers are to arrive to the airport at least 1.5 – 2 hours prior to departure or check with the airport from which departure will be made to determine the time necessary to check bags, clear security, etc. If a traveler fails to arrive in adequate time to clear all departure procedures and additional cost is incurred to rearrange flights, costs associated with later arrival will not be reimbursed to the Employee.

Club Membership

Dues and/or initiation fees for airline clubs are **NOT** reimbursable.

Rental Car Guidelines

Travelers should rent a car at their destination when it is less expensive or more practical than other transportation modes such as public transportation, taxis, airport limousines, and airport shuttles.

When picking up a rental car, travelers should check with the rental car agent for any promotional rates, last-minute specials, or free upgrades. At the time of rental, the car should be inspected and any damage found should be noted on the contract **before** the vehicle is accepted.

Car rental within the United States will be reimbursed for intermediate sized cars and smaller.

With respects to autos that are rented while on company business, all travelers should decline the Physical Damage and Liability coverage's from the rental agency. These coverages are already provided under the Company's Hired Auto Insurance.

Every reasonable effort must be made to return the rental car:

- To the original rental city unless approved for a one-way rental
- Intact (i.e., no bumps or scratches)
- On time, to avoid additional hourly charges

- With a full tank of gas

If the traveler paid for the car rental, the receipt back up with the expense report must include the customer copy of the rental voucher and agreement.

Taxi and Other Ground Transportation

The most economical mode of transportation should be used to and from airports, bus, and rail terminals when practical. The following modes of transportation should be considered:

- Buses, subways, taxis
- Hotel and airport shuttle services
- Personal car

Reasonable tips in transit and on arrival and departure from hotels/motels are reimbursable. Transportation between residence and regular place of employment is not a reimbursable expense.

Personal Car Use

Travelers using personal car on Company business will be reimbursed at the current IRS rate. To be reimbursed for use of a personal car for business, travelers must provide on their expense report:

- Purpose of trip
- Date and location
- Total mileage driven for business purposes

When a traveler uses their personal vehicle for Company-related business, travelers must have minimum personal auto liability limit of \$100,000 or higher. If a traveler uses their personal vehicle regularly, they may be asked by the Company to submit proof of insurance and limits to Human Resources.

Lodging/Hotels

Hotel reservations are recommended to be booked through discount websites whenever possible such as hotels.com, orbitz, etc. Lodging costs for a single room at a Company preferred or approved property will be reimbursed. Employees are expected to use sound business judgment in selecting accommodations while providing for the safety and comfort of the traveler. Suites for overnight accommodations in excess of the cost of a single room will not be reimbursed. It is recommended that travelers stay within 5 miles of their appointed destination and only use higher-end downtown properties when their business is specifically in a downtown location. If accommodations are deemed extravagant, the Company will only reimburse up to the general business class rate appropriate for the area.

Room Rates Maximum

When possible, employees should book rooms at hotels where we have negotiated a corporate rate: Hotel G (San Francisco), Hotel Z (San Diego), Kimpton hotels (various cities), and Hyatt hotels (various cities). Consult the "Services and Contracts" spreadsheet in Slack for the discount codes (<https://goo.gl/wlBald>).

If none of these hotels are available, employees should abide by the following limits. Manager approval is required if booking a hotel that exceeds these limits:

- Chicago: \$250
- San Diego: \$200
- San Francisco: \$325

- NYC: \$375
- Other US cities: \$200

Gift in Lieu of Lodging

The Company allows gifts in lieu of lodging when staying with friends or family. The cost of the gift shall not exceed USD \$50 (or local currency equivalent) per night, up to a maximum of USD \$500 per trip. Documentation for an in lieu of lodging gift must include the name of the host, location, receipt, dates, and a description of the gift. Gifts of cash are not reimbursable.

Extended Stay

When accommodations are needed for more than seven (7) days, travelers are encouraged to select extended stay properties where available. The Company will assist you with selecting one of these properties.

Hotel Cancellation Procedures

Travelers are responsible for cancelling hotel reservations. Travelers will be held responsible and will not be reimbursed for “no-show” charges unless there is sufficient proof that the billing is in error or the cancellation was no fault of the traveler. Travelers should note that cancellation deadlines are based on **local time** of the hotel property.

Hotel Frequent Guest Programs

Many hotels have frequent guest programs that reward travelers with free accommodations in exchange for a given number of paid room nights at the hotel. Awards from such programs may be retained by travelers for personal use; however, participation in these programs must not influence hotel selection that would result in incremental cost beyond any other negotiated rate.

Expense Reporting

Original hotel or motel folio (total bill of hotel charges including rate, meal, phone, etc.) must be attached to the expense report. Charges other than the actual room cost should be separately itemized by expense type on the expense report. The Company will not reimburse for in-room extras including, but not limited to, movies, mini-bar charges, laundry service (see Laundry section), etc.

Disaster Instructions

Information pertaining to a 3Q Employee’s involvement in an airline or other travel related disaster should be communicated to the Director of Operations. Such information should be considered confidential until an official announcement is made.

Personal Meals / Business Meals / Entertainment

Personal meals are defined as meals incurred by the traveler when dining alone on an out-of-town business trip. **Business meals** are taken with clients, prospects, or when a specific business discussion takes place. Meal will be reimbursed according to actual and reasonable cost up to the maximum allowed.

Personal Travel Meals

The Company will reimburse travelers for meal expenses actually incurred provided that such expenses are reasonable, appropriate, and supported by a receipt. Employees will not be reimbursed beyond the reasonable limits when, for personal reasons, they elect to spend more than the allowable limits detailed below. Any tips considered excessive will not be reimbursed.

Travelers can spend \$75 per travel day for meals.

Business Meals

Business meals include meals and refreshments provided for customers and others, including the Employee, and related tips.

Meals may also be purchased for other Employees of the Company in certain business circumstances when approved in advance by a Manager. Where this practice is employed, the most senior member present should pay the bill.

Entertainment

Entertainment expenses include events, such as theater, spa, or sporting events, among others, when a business discussion takes place during, immediately before, or immediately after the event.

Employees will be reimbursed for entertaining:

- If the person entertained has a potential or actual business relationship with the Company;
- If the expenditure directly precedes, includes, or follows a business discussion for the benefit of the Company.

The entertaining of other employees is not reimbursable unless **preapproved by a manager**.

Employees may not give customers gifts in excess of \$500 total in value per calendar year.

Expense Reporting and IRS Requirements

An original receipt must be submitted with the expense report for any individual meal or entertainment expense.

In addition, for business meals or entertainment expenses, the following documentation is required by the IRS and must be recorded on the expense report:

- Names of individuals present, their titles, and company name
- Name and location of where the meal or event took place
- Exact amount and date of the expense
- Specific business topic discussed
- In the case of entertainment events, the specific time the business discussion took place (i.e., before or after the event)

Telephone / Miscellaneous

All necessary business calls and messages are reimbursable. Travelers will be reimbursed when using phones that are reasonable and necessary for conducting business. A copy of the original bill must be attached to the expense report form.

Laundry

Expenses for laundry and dry cleaning are only allowed when the trip exceeds seven (7) consecutive days away from the traveler's regular location or home. Receipts must be attached to the expense report.

WiFi

If hotel WiFi is not provided with the cost of the room, WiFi will be reimbursed on a daily rate.

Other Miscellaneous Items

Any miscellaneous expense over \$25 requires both Manager preapproval and a receipt. Other items necessary for the conduct of business must be reasonable and justified in order to be considered reimbursable.

Expense Reporting

In order to be reimbursed, expense reports must be filed on a timely basis, contain duly itemized and substantiated expenses, and be in compliance with other requirements established in this policy. Employees must complete expense reports and include appropriate documentation and explanation of the specific business purpose. If you need assistance with your report, please contact the Controller with your questions.

Expenses must be submitted by the final day of the month in which the expense occurred. Employees who fail to submit expense reports on time may be subject to estimated reimbursement by the Employer.

Approval

Manager approval is required prior to reimbursement of all expenses. In order to maintain appropriate “one over one” approval, if applicable, the senior Employee present should always incur any joint expenses.

Acceptable Receipts

The following receipts are acceptable:

- Original receipt complete by the vendor
- Credit card receipt
- Electronic or emailed receipt (must include payment method)

Unacceptable Receipts

The following receipts are unacceptable:

- Restaurant tear tabs
- Photocopies, unless accompanied by a full explanation
- Credit card billing statements (except in certain approved situations)

Expensing Meals by Categories

Each travel meal (breakfast, lunch, dinner) must be recorded separately on the expense report.

Filing Deadlines

Approved expense report will be paid 7-10 business days following the approval of the expense report. Employees are expected to submit approved expense reports by the end of the month in which the expense is incurred. It is the Employee's responsibility to remember to submit completed expense reports and obtain all relevant approvals.

Other Reimbursable Expenses

- Air freight for business purposes
- Business office expense (fax, copy services, etc.)
- Gasoline (car rental)
- Overnight delivery and postage
- Parking and tolls while traveling or attending business related meetings or events
- Work related seminars and subscriptions

Corporate Credit Card Use

Only business expenses are to be charged to the corporate charge card. Corporate card charges include air travel, hotels and motels, car rentals, restaurants, and entertainment expenses, subscriptions, seminars, and miscellaneous T&E expenses. No personal charges are permitted on the corporate credit card.

All receipts for charges on the corporate charge card must be submitted to the accounting department to be reconciled with the monthly statement. The cardholder is responsible for obtaining any necessary receipts for card charges.

Report Lost or Stolen Cards

A lost or stolen corporate charge card must be reported to accounting (send an email, IM, or call) as soon as the cardholder discovers that it is missing or there are errant charges. Research shows that unauthorized use of stolen cards is greatest in the first few hours following theft.

Cardholder and Employee Termination

Upon termination of employment, cardholders must surrender their corporate card to their Manager or HR representative.

Non-Reimbursable Expenses

The Company does not reimburse Employees for personal entertainment expenses of any kind. The following miscellaneous expenses are considered non-allowable and will not be reimbursed including (but not limited to):

- Airline seat or class of service upgrade expense
- Frequent traveler memberships
- Airline club/lounge memberships
- Airplane headset rentals, inflight movies, etc
- Insurance on personal property or travel insurance
- Loss of unrecoverable airline tickets, traveler's check, & cash advances
- Luggage/briefcase damaged in-transit
- Spouse / companion travel costs
- Cost of side trips or extended trip for personal reasons
- Car wash
- Damage or repairs to Employee's personal car
- Any items stolen from a rental car
- Parking or traffic violations, fines, or citations
- No-show hotel reservations or cancellation charges
- Laundry and dry cleaning charges when duration of trip is less than seven (7) days

- Personal entertainment, including in room/in flight movies, videos, sightseeing, tours, green fees, spa charges
- Personal grooming (i.e., hair cut, shave, shoe shine, etc.)
- Personal articles including, but not limited to, tobacco, clothing, jewelry, cosmetics, toiletries, newspaper, books, magazines, etc.
- Dependent care, baby sitting, or animal sitting fees
- Non-company sponsored credit card fees
- Sponsored card reward membership fees
- Credit card finance charges / delinquency fees
- Travel to/from the employee's home and normal work location (commuting)
- Home broadband charges

EMPLOYEE ACKNOWLEDGEMENT and AGREEMENT

I have received a copy of or have received instructions regarding how to access the Harte Hanks Employee Handbook. I acknowledge that it is my continuing responsibility to:

- read and familiarize myself with the policies and procedures contained in the Handbook;
- ask questions if I do not understand any of the information in this Handbook; and
- abide by and observe all of the information, rules, policies, and procedures explained therein, including future changes or additions to this Employee Handbook.

I understand that the handbook is intended to provide a general overview of Company policies and does not necessarily represent all such policies in effect at the time of writing. The Company reserves the right to add, change, or rescind any policy or practice or benefits at its sole discretion, for any reason with or without notice. The Company reserves the right to change my hours, wages, and working conditions at any time.

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 employment 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 HR Zone > HR Support > Knowledge Base.

I understand that the handbook is not a contractual agreement. Therefore, I acknowledge and understand that I have the right to resign from my employment with the Company at any time with or without notice and with or without cause, and that the Company has the right to terminate my employment at any time with or without notice and with or without cause.

I understand that the Company deducts from wages and final paycheck any outstanding balances of amounts which are due to Harte Hanks at the time of my separation from employment assuming such deduction is not inconsistent with my exempt or nonexempt status under the Fair Labor Standards Act.

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

Employee Name (Please Print)

Date

Employee Signature

[FOR REFERENCE ONLY: SIGNED EMPLOYEE COPY IS FILED IN THE EMPLOYMENT FILE.]