

ARBITRATION AGREEMENT

As a condition of employment with FirstSteps for Kids, Inc., its subsidiaries, affiliates, successors or assigns (together the "Company"), and in consideration of my further employment with the Company and my receipt of the compensation now and hereafter paid to me by the Company, I ("Employee") agree to the following terms and conditions of this Arbitration Agreement (the "Agreement"):

Employee and the Company (collectively referred to as the "Parties") understand and agree that any dispute related to Employee's employment, including consideration of Employee's application or the termination of employment, except for those disputes expressly excluded below, will be submitted to final and binding arbitration in accordance with the provisions set forth herein. The Parties understand that this agreement to arbitrate all employment related disputes does not alter the at-will nature of Employee's employment.

Scope of Arbitration

The Parties agree that in the event there is any dispute arising out of or relating to employment, which cannot be resolved through either direct discussion or voluntary mediation, the dispute shall be submitted exclusively to final and binding arbitration. This arbitration obligation extends to any and all claims that may arise by and between the Parties and, except as expressly required by applicable law, extends to, without limitation, claims or causes of action for wrongful termination, impairment of ability to compete in the open labor market, breach of express or implied contract, breach of the covenant of good faith and fair dealing, breach of fiduciary duty, breach of duty of loyalty, fraud, misrepresentation, defamation, slander, infliction of emotional distress, discrimination, harassment, disability, loss of future earnings, claims regarding wages, hours or working conditions and claims under any applicable state Constitution, the United States Constitution, and applicable state and federal fair employment laws, federal equal employment opportunity laws, and federal and state labor statutes and regulations, but excluding only: 1) workers' compensation claims, 2) unemployment or disability insurance matters, 3) any matter within the jurisdiction of the National Labor Relations Board, and/or 4) any matters within the jurisdictional limits of small claims court. Further, Employee will not be disciplined, discharged or otherwise retaliated for exercising his/her rights or otherwise engaging in concerted activity under Section 7 of the National Labor Relations Act.

The Parties understand and agree that arbitration of the disputes and claims covered by this Agreement shall be the sole and exclusive method of resolving any and all existing and future disputes or claims arising by and between the Parties; provided, however, nothing in this Agreement should be interpreted as restricting or prohibiting Employee from filing a charge or complaint with a federal, state, or local administrative agency charged with investigating and/or prosecuting complaints under any applicable federal, state or municipal law or regulation, but any dispute or claim that is not resolved through the federal, state, or local agency must be submitted to arbitration in accordance with this Agreement. Nothing in this Agreement relieves either Party from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. Pursuant to this Agreement, the Parties waive any right to pursue employment-related claims, except those specifically excluded herein in any other forum, unless otherwise required by law. Only an arbitrator, not a judge or jury will decide the dispute. Should a court of competent jurisdiction deem any claim be beyond the scope of this arbitration provision, that claim may be severed and all remaining claims shall be subject to this

Agreement.

Demand For Arbitration

Any demand for arbitration by either the Employee or the Company shall be served or filed within the statute of limitations that is applicable to the claim(s) upon which arbitration is sought or required. Any failure to demand arbitration within this time frame and according to these rules shall constitute a waiver of all rights to raise any claims in any forum arising out of any dispute that was subject to arbitration to the same extent such claims would be barred if the matter proceeded in court (along with the same defenses to such claims). Thereafter, each party is expected to respond within thirty (30) calendar days to each communication regarding the selection of an arbitrator and the scheduling of a hearing.

Equitable Remedies Pending Arbitration

In the event that either Party will suffer irreparable injury pending the initiation of arbitration or the selection of an arbitrator, either Party may, in conjunction with the initiation of an arbitration proceeding or a motion to compel arbitration, seek injunctive relief from any court of competent jurisdiction. Such injunctive relief shall only be available to preserve the status quo and to avoid irreparable injury pending the appointment of an arbitrator. Such application for injunctive relief shall be subject to the rules generally applying to a request for extraordinary remedies. Thereafter, upon the appointment of an arbitrator, all matters, including the issuance of injunctive relief, shall be within the jurisdiction of the mutually-selected neutral arbitrator.

Selection of a Neutral Arbitrator

The Parties shall select a mutually-agreeable neutral arbitrator (who shall be a retired judge) from a list of arbitrators provided by ADR Services, Judicate West, American Arbitration Association or JAMS/Endispute. If the Parties are not able to agree upon a neutral arbitrator, the Company will obtain a list of employment law arbitrators from a state or national agency such as JAMS/Endispute or the American Arbitration Association. The Parties then will take turns striking names from the list of arbitrators, with Employee striking the first name, until one name remains. The last remaining person shall be the Arbitrator.

Scope of Arbitrator's Authority

This Agreement shall be governed by and construed and enforced pursuant to the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.*, and not individual state laws regarding enforcement of arbitration agreements or otherwise. The Parties agree that the Arbitrator shall be bound by all applicable laws and shall have jurisdiction to award all relief available in law or equity that is requested by the parties and supported by credible, relevant and admissible evidence. The Arbitrator shall have the ability to rule upon all motions, including dispositive motions. In any arbitration proceeding under this Agreement, the Arbitrator shall issue a written award that sets forth the essential findings and conclusions on which the award is based. The decision of the Arbitrator shall be final, conclusive and binding on the Parties to the arbitration. Judgment may be entered on the Arbitrator's decision in any court having jurisdiction. The Arbitrator's award shall be subject to correction, confirmation, or vacation, as provided by applicable law governing judicial review of arbitration awards.

Discovery

The Parties shall have the opportunity to conduct such discovery as is necessary to properly prepare their case for arbitration. Unless otherwise agreed to in writing, the Parties shall conduct discovery in accordance with the Federal Rules of Civil Procedure, including those rules then in force regarding initial disclosure of information and documents.

Fees and Expenses

Unless otherwise provided or permitted under applicable law, the Company shall pay the Arbitrator's fee and any other type of expense or cost that Employee would not be required to bear if he or she were to bring the dispute or claim in court as well as any other expense or cost that is unique to arbitration. Except as otherwise required under applicable law (or the Parties' written agreement), the Company and Employee shall each pay their own attorneys' fees and costs incurred in connection with the arbitration, and the Arbitrator will not have authority to award attorneys' fees and costs unless a statute or contract at issue in the dispute authorizes the award of attorneys' fees and costs to the prevailing Party, in which case the Arbitrator shall have the authority to make an award of attorneys' fees and costs to the same extent available under applicable law. If there is a dispute as to whether the Company or Employee is the prevailing Party in the arbitration, the Arbitrator will decide this issue.

Venue

The arbitration shall take place in Los Angeles, California, or, at Employee's option, the state and county where Employee works or last worked for the Company.

Collective/Representative/Class Action Waiver

The Arbitrator shall not have the authority to consolidate claims of two or more employees, unless the employees and the Company consent to such consolidation. To the extent that two or more employees file a claim jointly, or as a class, representative or collective action, or seek to consolidate claims (in the absence of written consent of all individuals and the Company), the Arbitrator shall not have the authority to hear or render an award on a class, representative or collective action against the Company, but shall permit and require each individual to pursue his or her claims against the Company individually.

Waiver

Waiver of any term or provision of this Agreement or forbearance to enforce any term or provision by either party shall not constitute a waiver as to any subsequent breach or failure of the same term or provision or a waiver of any other term or provision of this Agreement. The Parties agree that if any part of this Agreement is deemed illegal, invalid or otherwise unenforceable, the remaining provisions remain in full force and effect and the illegal, invalid or unenforceable provisions shall be deemed severed here from.

Entire Agreement

This Agreement forms the entire agreement of the Parties regarding the subject matter hereof and supersedes any prior agreements between them with respect to the same subject matter.

Signature of a Company representative is not required.

The Company encourages Employee to utilize the Company's Open Door Policy to address any questions or concerns regarding the contents of this Agreement.

Employee's Signature

Date

Employee's Name (Print)