SECTION 1

INTRODUCTION

Introduction

Welcome to Soluna Health, Inc. Because we believe you have the training, ability and experience to be of value to our business, we encourage you to continue to develop your talents and capabilities to the greatest extent, to broaden your experience, and to achieve your full potential in our organization.

Soluna Health, Inc. prides itself on its service to its Clients. We think of ourselves as customer service people, first and foremost.

This Handbook has been carefully and cooperatively developed and refined over the years to outline policies and procedures that will promote a stimulating environment in which we can all share and prosper. In return, we hope you will help us grow and succeed by fully applying your talents and energies. We want you to share in our success.

The Company must earn a satisfactory profit each year to ensure reinvestment, competitive salaries, and growth. Each of us must share the responsibility of providing excellent quality and service to create the necessary profit that will provide the means for our Employee benefits, as well as the successful operation and growth of our Company.

We believe that success cannot be achieved without clear and honest communication. Always remember that our professional relationships are at the foundation of our business and we extend an open offer to communicate to all of our Employees. If you have a suggestion, question, or concern, please feel free to discuss it with us. We encourage you to take the initiative to promote any change you feel is needed, since we all must work together to make a world-class organization.

The Employee Handbook which follows should provide positive and specific guidelines for what we hope will be a mutually rewarding employment relationship.

Sincerely,

Naureen A. Shaikh MD
President and Manager
Soluna Health, Inc.

MISSION STATEMENT

Provide superior patient health care through commitment to quality, excellent customer service, technological innovation and profitability for both our Clients and Soluna Health, Inc.

PURPOSE OF THE HANDBOOK

This Employee Handbook (Handbook) serves as a guideline to Company policies and benefits in order to summarize and highlight Company policies and benefits, and help assure uniformity and consistency throughout the organization. This Handbook generally represents the terms and conditions of employment and covers all Employees working directly for and on the payroll of Soluna Health, Inc. **This Handbook specifically does not apply to those operating through a separate contractual relationship with the Company or those individuals working on Company premises who are employed by another entity.**

This Handbook gives you information about the main features of our employment policies and benefits, and certain other general information. It does not, and is not intended to, cover all matters in complete detail. Changing conditions may bring revisions to these policies and benefits, just as they have played a part in forming them. Therefore, policies and benefits may be adopted, amended or discontinued at any time. Of course, it is our philosophy to develop policies cooperatively whenever practical; however, only the Board of Directors of the Company has the authority to add to, modify, waive or delete any Policy, benefit or rule, and such change must be written, signed, and filed in your personnel file in order to be valid.

Should there be any conflicts between this Handbook and the terms and conditions of applicable Benefit Plans (i.e., insurance policy, et cetera.), the official text of the Plan or Policy will govern.

It is your responsibility to read and understand this Handbook. Acknowledgment that you are familiar with the Handbook's contents and "At Will" employment, and agreement to these terms of employment are a condition of employment. Should you ever have any questions, comments or concerns regarding any aspect of this Handbook, please do not hesitate to ask your Manager. Please sign the signature pages provided at the end of this document, and return them to the Manager.

SECTION 2

ESSENTIAL LEGAL PROVISIONS

"AT WILL" EMPLOYMENT STATUS

California's Labor Code specifies that an employment relationship with no specified duration is presumed to be employment "at-will". This means that the Employer or Employee may terminate the employment relationship at any time, with or without cause.

Company personnel are employed on an "at-will" basis, not for a specified period of time. Employment "at-will" may be terminated with or without cause and with or without notice at any time by the Employee or the Company.

Continuous Service with the Company may earn Employees benefits. However, the length of Continuous Service does not change an Employees "at will" employment status.

No Policy or practice of the Company including any practice of progressively warning or disciplining Employees, shall be construed or relied upon as modifying the "at will" nature of the relationship or limiting the right to terminate employment at any time with or without cause.

Nothing in this Handbook or any other documents Employees may receive during their course of their employment shall limit the right to terminate "at-will" employment or modify the "at will" nature of the employment relationship. No Manager, Manager, or Employee of the Company has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than "at-will" terms. Only the Board of Directors of the Company has the authority to make any such agreement, which is binding only if it is in writing.

INTEGRATION CLAUSE AND RIGHT TO REVISE

This Handbook contains the employment policies and practices of the Company in effect at the time of publication. All previously issued Handbooks and any inconsistent Policy statements or memoranda are superseded.

The Company 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, except for the Policy of "at-will" employment. However, any such changes must be in writing and must be signed by the Board of Directors of the Company.

Any written changes to this Handbook will be distributed to all Employees so that Employees will be aware of the new policies or procedures. No oral statements or representations can in any way alter the provisions of this Handbook.

This Handbook sets forth the entire agreement between you and the Company as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this Employee Handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any Employee.

EQUAL EMPLOYMENT OPPORTUNITY (EEO)

This Company is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available person in every job. Company Policy prohibits unlawful discrimination based on race, color, creed, gender, 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. All such discrimination is unlawful.

The Company is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the operations of the Company and prohibits unlawful discrimination by any Employee of the Company, including Management and co-workers.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an Employee unless undue hardship would result.

Any applicant or Employee who requires reasonable accommodation in order to perform the essential functions of the job should contact Human Resources and request such an accommodation. The individual with the disability should specify what accommodation he/she needs to perform the job. The Company then will conduct an investigation to identify the barriers that interfere with the equal opportunity of the applicant or Employee to perform his/her job. The Company will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the Company will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, submit a written complaint to your Manager. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. The Company will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation. If the Company determines that unlawful discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action also will be taken to deter any future discrimination. The Company will not retaliate against you for filing a complaint and will not knowingly permit retaliation by Management or your co-workers.

SEXUAL HARASSMENT AND OTHER WORKPLACE HARASSMENT

The Company believes in respecting the dignity of every Employee and expects every Employee to show respect for co-workers, Clients and visitors. Respectful, professional conduct furthers the Company's mission, promotes productivity, minimizes disputes, and enhances our reputation.

Harassing conduct based on gender often is sexual in nature, but sometimes is not. This Policy forbids harassment based on gender regardless of whether the offensive conduct is sexual in nature. Any unwelcome conduct based on gender is also forbidden by this Policy regardless of whether the individual engaged in harassment and the individual being harassed are of the same or are of different genders.

This Policy forbids any Employee, Manager, Officer, Director, Client, or Visitor to harass any Company Employee or Applicant. Any individual (including Employees) who engages in sexual harassment contrary to this Policy may be personally liable in any legal action brought against him/her, meaning the Employee's personal assets are at risk. Current labor law makes co-workers personally liable for sexual harassment.

Sexual harassment is illegal under state and federal law, and the Company condemns and prohibits sexual harassment of others (i.e., Employees, Clients, Patients and Visitors). According to the U.S. Equal Employment Opportunity Commission (EEOC), unwelcome sexual advances, requests for sexual favors, and other verbal, physical or visual conduct based on sex constitute unlawful sexual harassment when:

- Submission to the conduct is made either an explicit or implicit condition of employment;
- Submission to or rejection of the conduct is used as the basis for any employment decision affecting individuals;
- The harassment has a purpose or effect of unreasonably interfering with an Employee's work performance or creating an intimidating, hostile or offensive work environment; or
- Submission to or rejection of the conduct is used as the basis for doing business with the Company.

This Policy forbids harassment based on gender regardless of whether it rises to the level of a legal violation. Examples of gender-based harassment forbidden by this Policy include:

- Offensive sex-oriented verbal kidding, teasing or jokes;
- Repeated unwanted sexual flirtation, advances or propositions;
- Continued or repeated verbal abuse of a sexual nature;
- Graphic or degrading comments about an individual's appearance or sexual activity;
- Offensive visual conduct, including leering, making sexual gestures, the display of offensive sexually suggestive objects or pictures, cartoons or posters;
- Unwelcome pressure for sexual activity;
- Offensively suggestive or obscene letters, notes or invitations; or,
- Offensive physical conduct such as patting, grabbing, pinching, or brushing against another's body.

Employees Responsibility

Employees can help assure that our workplace is free from prohibited discrimination or harassment. Everyone is expected to avoid any behavior or conduct that could reasonably be interpreted as prohibited harassment; no Employees, not even the highest ranking people in the Company, are exempt from the requirements of this Policy. Every Employee is expected to inform any person in the workplace whose conduct the Employee finds unwelcome. Any Manager who is aware of conduct inconsistent with this Policy, or who receives a report of conduct inconsistent with this Policy, is to report immediately to the Board of Directors. Nonetheless, every Employee who reports harassment under this Policy should make every effort to make that report directly to the Manager and / or the Board of Directors.

Reporting Procedures
If you feel you have experienced or witnessed any conduct that is inconsistent with this Policy, you are to immediately notify Management as soon as possible after the incident. These are the individuals who are authorized by this Policy to receive and act upon complaints of harassment or discrimination on behalf of the Company. This Policy does not require reporting harassment or discrimination to any individual who is creating the harassment or discrimination. Your complaint should include details of the incident or incidents, names of the individuals involved, and names of any witnesses.

Company Response
All reports describing conduct that is inconsistent with this Policy will be investigated promptly, thoroughly and objectively. The Company may put reasonable interim measures in place while the investigation proceeds. The Company will take further appropriate action once the report has been thoroughly investigated. That action may be a conclusion that a violation occurred, as explained immediately below. The Company might also conclude, depending on the circumstances, either that no violation of Policy occurred or that the Company cannot conclude whether or not a violation occurred.

If an investigation reveals that a violation of this Policy or other inappropriate conduct has occurred, then the Company will take corrective action, including discipline up to and including immediate termination, as is appropriate under the circumstances, regardless of the job positions of the parties involved. The Company may discipline an Employee for any inappropriate conduct discovered in investigating reports made under this Policy, regardless of whether the conduct amounts to a violation of law or even a violation of this Policy. If the Company does not employ the person who engaged in harassment, then the Company will take whatever corrective action is reasonable and appropriate under the circumstances.

Procedures
Consistent with this Policy against workplace harassment, the Company maintains posters on its bulletin boards that refer to legal prohibitions of discrimination and harassment. These posters identify governmental agencies to contact for information on how and when to file administrative claims. Using the Company complaint process does not keep an Employee from filing a claim with a state governmental agency or with a federal agency such as the EEOC. The time period for an EEOC filing is 180 or 300 days from the date of the harassment. Any deadline for filing a claim continues to run during a Company investigation. Our Policy provides for immediate notice of problems to Company Officials listed above so that we may address and resolve any problems without waiting for any legal proceedings to run their course.

Policy Against Retaliation
The Company forbids that any Employee treat any other Employee or former Employee or applicant adversely for reporting harassment, for assisting another Employee or applicant in making a report, for cooperating in a harassment investigation, or for filing an administrative claim with the EEOC or a state governmental agency. All Employees who experience or witness any conduct they believe to be retaliatory should immediately follow the reporting procedures stated above.

Confidentiality
In investigating and in imposing any discipline, the Company will attempt to preserve confidentiality to the extent that the needs of the situation permit.

OTHER WORKPLACE HARASSMENT

The Company is committed to providing a work environment free of discrimination and unlawful harassment, including harassment that is based on any legally protected status. The Company will not tolerate any form of discrimination or harassment that violates this Policy. Company Policy prohibits unwelcome conduct, sexual harassment, and harassment based on race/color, national origin/ancestry, sex, religion, age, mental or physical disability, veteran status, medical condition, pregnancy, childbirth or related medical conditions, marital status,

sexual orientation, citizenship status, or any other basis protected by federal, state or local law or ordinance or regulation. ***All such harassment is unlawful.***

The Company's anti-harassment Policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any Employee of the Company, including Managers and co-workers. 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. The conduct prohibited by this Policy includes any discriminatory employment action and any unwelcome conducts that affects someone because of that individual's protected status. Even where the conduct is not sufficiently severe or pervasive to constitute actionable harassment, the Company discourages any such conduct in the workplace. Prohibited unlawful harassment includes, but is not limited to, the following behavior:

§ Verbal conduct such as epithets, negative stereotyping, intimidating acts, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;

§ Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;

§ Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race, or any other protected basis;

§ Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors; and

§ Retaliation for reporting or threatening to report harassment.

If the Company determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any Employee determined by the Company to be responsible for unlawful harassment will be subject to appropriate disciplinary action up to and including immediate termination. A Company Representative will advise all parties concerned of the results of the investigation. The Company will not retaliate against Employees for filing a complaint and will not tolerate or permit retaliation by Management, Employees or co-workers. 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.

The Company encourages all Employees to report any incidents of harassment forbidden by this Policy ***immediately*** so that complaints can be quickly and fairly resolved. Employees also should be aware that the Federal Equal Employment Opportunity Commission (EEOC) and the California Department of Fair Employment and Housing (DFEH) investigate and prosecute complaints of prohibited harassment in employment. If Employees think they have been harassed or have been retaliated against for resisting or complaining, they may file a complaint with the appropriate agency. The nearest office is listed in the telephone book. The Company also expects our Employees to share responsibility in building an environment that is supportive of all Employees, Independent Contractors, Clients, Patients, et cetera; an environment that is a positive place to work and free of behavior that undermines the values of the Company. Therefore, it is the Policy of this Company that no Employees, Independent Contractors, Clients, Patients, or Vendors conduct themselves in a manner that offends others.

INVESTIGATIONS POLICY

In order to protect the rights of all Employees as well as the business interests of the Company, we intend to thoroughly investigate all claims of harassment, violence, gross misconduct or any other matter brought to our attention which might interfere with a safe, harmonious, and/or harassment-free workplace. *In order to effectively implement this Policy, the Company must make it a condition of employment that all Employees fully cooperate with any investigation conducted by the Company.* Rest assured that at all times Employee privacy will be considered and investigation information will be handled on a need-to-know basis. Failure to cooperate with an investigation can result in disciplinary action.

SECTION 3

EMPLOYMENT POLICIES & PRACTICES

ORIENTATION

Each new Employee will receive an orientation to the Company, its history, its operations, its personnel policies, and a review of Employee benefits. During this period, new Employees are also asked to submit completed new-hire paperwork.

EMPLOYMENT CLASSIFICATIONS

Regular Full-Time Employee
A "Regular Full-Time Employee" is defined as an Employee who is regularly scheduled for and works forty (40) or more hours per week. Regular Full-Time Employees are entitled to Company-sponsored benefits, provided they meet the specific eligibility requirements for each benefit.

Regular Part-Time Employee
A "Regular Part-Time Employee" is defined as an Employee who is regularly scheduled for and works less than forty (40) hours per week. Regular Part-Time Employees are generally not entitled to Company-sponsored benefits.

Temporary Employee
A "Temporary Employee" is defined as an Employee who is hired for short-term assignments such as temporary, seasonal or replacement basis. Short-term assignments generally are periods of three (3) months or less; however, such assignments may be extended. Employees will not automatically change from Temporary to another status merely by working in excess of the period originally expected and designated. An Employee will change from Temporary to another status only if advised of such a change in writing by the Company. Such notification will indicate the effective date on which an Employee attained or will attain an alternate status. Temporary Employees are not eligible for any Company-sponsored benefits except those mandated by applicable law.

Inactive Status
Employees who are on any type of Leave of Absence, work-related or non-work-related, that exceeds four (4) months, will be placed on Inactive Status. During the time the Employee is on inactive status, no Company-sponsored benefits such as Paid Time Off (PTO) will accrue and seniority will not continue to accrue.

Non-Exempt Employee
This category includes all Employees who are assigned a majority of duties by the Company which are classified as Non-Exempt from the overtime provision of the Federal Fair Labor Standards Act and/or any other applicable laws. Employees in this category are therefore entitled to premium pay in accordance with state and federal law.

Exempt Employee
This category includes all Employees who are assigned a majority of duties by the Company, which are classified as Exempt from the overtime provisions of the Federal Fair Labor Standards Act and/or any other applicable laws. Such Employees include but are not limited to those who qualify as Exempt Executive, Administrative or Professional Employees, or as outside salespersons.

CONTINUOUS SERVICE

Continuous Service is required to maintain many Company-sponsored benefits without interruption. For Regular Full-Time Employees otherwise eligible for such benefits, Continuous Service is defined as fifteen (15) days (one hundred and twenty [120] straight time hours) directly compensated in any calendar month.

MEAL AND REST PERIODS

Employees will be provided an unpaid meal period of thirty (30) minutes after not more than five (5) hours of work, except when an Employee's work day does not total more than six (6) hours. If six (6) hours of work completes the workday, this break can be waived by mutual consent of Employee and Employer. Employees must advise Human Resources in writing with a note to the Employee's personnel file if this takes place.

Rest periods will be provided to Employees based on total daily hours worked, and generally one (1) ten-minute break will be given every four (4) hours (or major fraction thereof) worked up to and including six (6) hours. Employees are allowed two (2) ten-minute breaks over six (6) hours worked; Employees are allowed three (3) ten-minute breaks over ten (10) hours worked. Breaks are to be taken as near as practical to the middle of the work period. If Employees work less than three and a half (3½) hours, no break is required. Employees are required to coordinate the scheduling of their meal and rest periods with their Manager.

TIMEKEEPING RECORDS

If you are a Non-Exempt Employee, you must personally record your time for payroll purposes by using the Company's electronic timekeeping system. You are to be prepared to work when you punch in at the beginning of the shift, and you are to punch out immediately at the end of the shift. Paid Time Off (PTO), absences and paid holiday time must also be recorded as instructed by your Manager. If you are unable to access the electronic timekeeping system, you must immediately report to your Manager. This is to satisfy requirements of both state and federal laws enacted for your protection.

COMPENSATION

It is Company Policy to maintain wages and salaries that are competitive with industry and general market standards. Our goal is to attract Employees whose performance, motivation and productivity will contribute to Company goals.

BONUS (DISCRETIONARY)

Bonuses may be granted from time to time at the sole discretion of the Company. In the event that a Bonus is granted, an Employee must be employed with the Company as a Regular Full-Time Employee for a minimum of six (6) months to be eligible for such bonus. The Company must also currently employ the Employee on the date the Bonus is actually paid. Voluntary or involuntary immediate termination of an Employee automatic disqualifies the Employee from receiving any Bonus monies and the Bonus will be forfeited.

PAYROLL SCHEDULE

Our normal workweek consists of seventy-one (71) hours. Pay week begins and ends at midnight on Sunday. Employees will receive their payroll check on the payday posted for each pay period. If the payday falls on a holiday or weekend, paychecks will be distributed on the preceding workday. Any errors in pay should be reported to Management as soon as possible. Whether an error causes underpayment or overpayment, Employees are expected to advise Management to ensure the error is corrected as promptly as possible.

CALL-IN PAY

The Company will pay a minimum of two (2) hours pay as required by law to Employees who are required to report to work on a day other than their normally scheduled workday, based on the Reporting Time Pay Requirements.

REPORTING TIME PAY

The Company will pay Reporting Time Pay as required by law under the following circumstances:

- When public utilities fail, such as water, gas, electricity, or sewer; and
- When work is interrupted by an act of God, natural causes, or other circumstances beyond the Company's control.
- When operations cannot begin due to threats to Employees, the Company, Company property or when recommended by civil authority;

DIRECT DEPOSIT

The Company has a Policy of depositing regular paychecks automatically into Employee bank accounts. Paperwork for expediting this Policy will be made available by Management.

DEDUCTIONS

The Company is required by state and federal statutes to deduct state and federal income taxes, Social Security payments and State Disability Insurance from your paycheck. Additionally, if you are eligible for any benefits (such as dependent health coverage) that require you to make contributions, we make it easy by offering automatic payroll deductions, for which you will be asked to sign a deduction authorization.

FINAL PAYCHECKS

Employees will receive their final paycheck within the time required by law. Employees who resign with at least seventy-two (72) hours advance notice will be provided with their final paycheck on their last day of work. Employees who resign without providing at least seventy-two (72) hours of advance notice will receive their final paycheck within seventy-two (72) hours of their resignation. Employees who request mailing of their final paychecks must do so in writing and should note that paychecks will be deposited in the mail within seventy-two (72) hours after they terminate employment. Any Company property, such as keys, supplies or equipment must be returned by the time the final paycheck is provided.

OVERTIME

In order to fulfill the Company's commitment of excellence to its Clients, or when business requirements or other needs cannot be met during regular working hours, it may be necessary for Employees to work overtime. Employees are expected to pitch in and work overtime as necessary.

All overtime must be pre-authorized by your Manager. Please work with your Manager concerning any unusual circumstances or requirements so that consistent, top-quality service can be maintained. For Non-Exempt Employees, approval to work overtime varies by Employee, based on the Employee's responsibilities, workload, and current assignments.

Overtime compensation is computed and paid on the basis of a Non-Exempt Employees total hours worked in a workday and workweek as mandated by state and federal law. Only actual hours worked in a given workday or workweek can apply in calculating overtime. Paid hours that are not worked (i.e., Holidays and Paid Time Off [PTO]) do not qualify as hours worked for overtime purposes.

Compensation for hours in excess of forty (40) hours for the workweek, or in excess of eight (8) hours and not more than twelve (12) hours for the workday, and for the first eight (8) hours on the seventh consecutive day of work in one (1) workweek, shall be paid at a rate of one-and-one-half (1½) times the Employee’s regular rate of pay.

Compensation for hours in excess of twelve (12) hours in one (1) workday and in excess of eight (8) hours on the seventh consecutive workday in a workweek shall be paid at double (2 x) the employee’s regular rate of pay.

EMPLOYMENT RECORDS AND IMMIGRATION LAW COMPLIANCE

On your first day of work, you will be asked to complete a number of new-hire forms, including a Federal Tax Withholding Form W-4, an Immigration and Naturalization Service I-9 Form, and other necessary documents. As a condition of employment and in compliance with the Immigration Reform and Control Act of 1986, new Employees will be asked to properly complete, sign and date the first section of the I-9 Form and show specific documents verifying his/her identity and authorization to work in the United States. See the Human Resources Manager for specific details.

Before beginning work, newly rehired Employees must also complete the I-9 Form if they have not previously filed an I-9 Form with the Company, if their previous I-9 Form is more than three (3) years old, or if their previous I-9 Form is no longer valid.

Accurate personnel records are extremely important. It is your responsibility to keep the Company informed of your desired withholding status, current address, telephone number, legal name, dependent status, insurance status, and persons to notify in case of emergency. Falsification of any employment or Company records may subject an Employee to immediate termination. You have a right to inspect certain documents in your personnel file as provided by law, in the presence of a Company representative at a mutually convenient time. No copies of documents in your file may be made, with the exception of documents that you have previously signed. You may add your version of any disputed item to the file.

The Company will attempt to restrict disclosure of your personnel file to authorized individuals within the Company. Any request for information from personnel files must be directed to Human Resources. Only Human Resources has authority to release information about current or former Employees. Disclosure of personnel information to outside sources will be limited. However, the Company will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting official investigations.

EMPLOYMENT VERIFICATION

All requests for information and/or references must be directed to the Manager so that control may be maintained on the dissemination of information. No other Employee is authorized to give any employment references or release employment information for current or former Employees. As to references for Employees who have left the Company, it is Company Policy to disclose only the dates of employment and the title of the last position held. If you authorize disclosure in writing, the Company may provide information on the amount of salary or wage you last earned. Employees should not provide "off-the-record" references or written recommendations.

PERFORMANCE EVALUATIONS

It is the belief of the Company that regular annual Employee Performance Evaluations are important for the successful development of our Employees as well as our business. Your performance will be reviewed on a regular and on-going basis. However, Managers and Employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Ongoing discussions between Managers and Employees about job duties, performance, and the work environment furthers Employees' satisfaction with the Company and the Company's satisfaction with the Employees.

A formal evaluation of your performance will be conducted by your Manager upon completing your first ninety (90) days of employment. Subsequent performance evaluations will be conducted annually, on or about the anniversary of your date of hire, for as long as you remain employed by the Company. The frequency or performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties or recurring performance problems. Performance Evaluations are designed to be a two-way review regarding your performance on the job, to examine the progress made since the last review, and to establish goals for the next review. Evaluations may review factors such as the quality and quantity of work you perform, your knowledge of the job, your initiative, your work attitude

and your attitude toward others. Performance Evaluations are intended to make Employees aware of their progress, areas for improvement and objectives or goals for future work performance. Favorable Performance Evaluations do not guarantee increases in salary or promotion; nor does it constitute a promise of continued employment.

Your active participation in this process will help to ensure a fair and equitable review as well as provide feedback to Management for improvements in the workplace. A Self-Evaluation will be provided to the Employee; we encourage Employees to share their opinions regarding their own work performance, the quality of Company-provided education or training, work environment, and/or any other work-related concerns.

After the review, Employees will be required to sign the Evaluation to acknowledge that it has been presented, discussed between the Employee and their Manager, and that the Employee is aware of its contents.

PROMOTIONS

We make every effort to promote from within the Company. There is a continuous process of job evaluation by which the duties of your position are carefully and objectively evaluated in relation to other positions throughout the Company.

When openings occur and there is an opportunity to promote an Employee to a position of greater responsibility, several factors are taken into consideration. These include, but are not limited to, the Employee's experience, skills, ability to handle the job, prior performance, and attendance records.

TEAMWORK

The Company is interested in you as a person and Management is pleased to assist you in any way we can. We welcome your suggestions. Our sincere conviction is that the best and most rewarding system results from an open and direct relationship and communication between colleagues.

Every reasonable effort will be made to provide you with a safe, comfortable and healthy place in which to work.

We recognize each of you as individuals, to be treated with understanding, consideration and respect. Please feel free to contact your Manager or President at any time about any problems, questions or suggestions you might have concerning your work or our policies and procedures.

The Company promotes a spirit of teamwork and camaraderie among its Employees. Whenever your workflow allows you to offer assistance to another, we ask you to do so. This positive show of support creates feelings of goodwill and teamwork that will be appreciated.

Let's all work together and treat each other as we would like to be treated ourselves.

OPEN DOOR POLICY

Suggestions for improving the Company are always welcome. At some time, you may have a suggestion, question, or complaint about your job, your working conditions or the treatment you are receiving. Your suggestions, questions, or complaints are of concern to the Company. A Suggestion Box is maintained in the Kitchen/Break Room Area. Employees may use this method for anonymous communication. Employees may also discuss their issues one-on-one with Management. We ask Employees to first discuss their concerns with their Manager, following these steps:

1st If comfortable, try to address the situation or problem directly with those involved.

2nd If the problem persists, bring the situation to the attention of your Manager, who will then investigate and provide a solution or explanation.

3rd If the problem still persists or alternative management is desired, you may choose to have a mediated discussion and resolution of the problem.

This procedure, which we believe is important for both the Employee and the Company, cannot guarantee that every problem will be resolved to the Employee's satisfaction. However, the Company values your observations and you should feel free to raise issues of concern in good faith, without the fear of retaliation.

EMPLOYMENT OF RELATIVES

The work assignments of closely related Employees are subject to the following guidelines:

§ Closely related Employees may not work in positions where one relative assigns, checks, processes, reviews, approves, audits, or otherwise affects the work of the other relative;

§ Closely related Employees may not work in positions where one relative influences the salary or promotion of the other relative;

§ Closely related Employees may not work in positions where, in the judgment of the Company, such employment may create an actual, potential, or appearance of conflict of interest on a business or personal level;

§ When one Employee marries another Employee, both Employees may retain their positions if their work assignments are compatible with the work assignment guidelines. If not, the Company will make a reasonable effort to transfer one of the Employees involved, consistent with business needs;

§ Whenever a situation involving the work assignments of married Employees arises, Human Resources or Management must be consulted before any decision about reassignment is made;

§ Situations may arise where exceptions may be granted (i.e., hard-to-fill positions). These cases will be reviewed individually, and Human Resources or Management must approve exceptions.

Close relatives refers to any relative (including by adoption or marriage) who lives in the Employee's household and any child, parent, brother, or sister (including by adoption or marriage) of the Employee or his/her spouse, whether or not the relative is living in the same household.

This Policy regarding employment of relatives is administered consistent with state and local law.

CONFLICT OF INTEREST

The Company relies on the integrity and good judgment of all Employees in observing ethical, professional and legal codes, and good business practice in the conduct of the Company. Employees are expected to devote their individual attention and best efforts to their work, maintain the Company's high ethical standards, and avoid the existence or appearance of all conflicts of interest. A conflict of interest exists when the Employee's loyalties or actions are or appear to be divided between the Company's interests and those of another, including competitors, Clients, or vendors of the Company.

All Employees must avoid situations involving actual or potential conflicts of interest. Personal or romantic involvement with a competitor, supplier or subordinate Employee of the Company, which impairs an Employee's ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. Manager-subordinate romantic or personal relationships also can lead to Management problems, possible claims of harassment, and morale problems.

An Employee involved in any of the types of relationships or situations described in this Policy should immediately and fully disclose the relevant circumstances to his/her Manager for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the Company may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

Examples of conflicts of interest include, but are not limited to:

§ Working for a competitor or Client, or engaging in self-employment in competition with the Company;

§ Accepting personal gifts or entertainment of a value in excess of $100 per person from a competitor or Client without prior approval of Management, or accepting any cash gift;

§ Having a direct or indirect financial interest in or relationship with a competitor or Client (other than minor ownership of publicly traded stock of a corporation);

§ Using Company information, assets or labor other than for Company gain or disclosing to third parties confidential or proprietary information about the Company including, but not limited to, information about Company procedures, Clients, patients, marketing plans or financing.

All Employees who have or obtain a financial or employment relationship with a competitor or Client, and all Employees, who are uncertain whether a certain relationship constitutes a conflict of interest, must disclose the relationship in writing to Management.

BRIDGING OF TIME

The Company wishes give credit to Employees previously employed by the Company provided the break in service does not exceed nine (9) months. The break in service time will be deducted from the Employee's original service date for purpose of the following:

§ Seniority

§ Paid Time Off (PTO)

§ Retirement

INVOLUNTARY IMMEDIATE TERMINATION

Violation of Company policies and rules may warrant disciplinary action. The Company has no formal system of progressive discipline such as verbal warnings, written warnings, and suspension. However, the Company may, at its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances up to and including immediate termination of employment. The Company's polices in no way limit or alter the "at will" employment relationship. All Company-owned property, including but not limited to keys, credit cards, and equipment must be returned immediately upon immediate termination of employment.

VOLUNTARY IMMEDIATE TERMINATION

Voluntary immediate termination results when an Employee voluntarily resigns his/her employment, or fails to report to work for three (3) consecutively scheduled workdays without notice to, or approval by, his/her Manager. All Company-owned property, including but not limited to keys, credit cards, and equipment must be returned immediately upon immediate termination of employment.

SECTION 4

STANDARDS OF CONDUCT

CUSTOMER SERVICE AND EMPLOYEE RELATIONS

We strive to provide our Clients and their Patients with the best possible service. One of your primary responsibilities is to serve these "customers" promptly and courteously. As far as they are concerned, **you** are the Company.

Employees are expected to be polite, courteous, prompt and attentive to Clients, Patients, and co-workers. When an Employee encounters an uncomfortable situation that he/she does not feel capable of handling, the Manager should be called immediately. Clients, Patients, and co-workers are to be treated courteously and given proper attention at all times. Never regard their questions or concerns as an interruption or an annoyance. You must respond to inquiries, whether in person or by the telephone, promptly and professionally.

Never place a caller on hold for an extended period of time. Direct incoming calls to the appropriate person and make sure the call is received.

Through your conduct, show your desire to assist Clients, Patients, and co-workers in obtaining the help they need. If you are unable to help, find someone who can.

All documents must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates a commitment to those with whom we do business.

Never argue. If a problem develops or if Clients, Patients, or co-workers remains dissatisfied, ask your Manager or a Manager to intervene.

PROHIBITED CONDUCT

The following conduct is prohibited and will not be tolerated by the Company. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, Employee welfare and the Company's operations also may be prohibited.

- Falsifying Employment records, employment information, or other Company records;
- Recording the work time of another Employee or allowing any other Employee to record your work time, or falsifying any time record, either your own or another Employee's;
- Theft, damage or destruction of any Company property, or the property of any Employee, Client or Patient;
- Removing or borrowing Company property without prior authorization;
- Unauthorized use of Company equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on Company property;
- Participating in horseplay or practical jokes on Company time or on Company premises;
- Possessing firearms or any other dangerous weapons on Company premises at any time;
- Engaging in criminal conduct whether or not related to job performance;
- Creating, causing, or participating in a disruption of any kind during working hours on Company property;
- Insubordination;
- Using abusive or threatening language at any time on Company premises;
- Failing to notify a Manager or Hunan Resources when unable to report to work;
- Unreported absence of three (3) consecutive scheduled workdays;
- Failing to obtain permission to leave work for any reason (excluding unpaid lunch break) during normal working hours;
- Failing to observe working schedules, including rest and meal periods;
- Failing to provide a Physician's certificate when requested or required to do so;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls of more than five (5) minutes in duration during working hours, except in cases of emergency;

- Working overtime without authorization or refusing to work assigned overtime;
- Wearing disturbing, unprofessional or inappropriate styles of dress or hair while working;
- Wearing fragrances or scents at work or during working hours;
- Violating any health, safety, security or Company Policy, rule or procedure;
- Committing a fraudulent act under any circumstances; or
- Committing of or involvement with any act of harassment of another individual.

This statement of prohibited conduct does not alter the Company's Policy of "at will" employment. Either the Employee or the Company remains free to terminate the employment relationship at any time, with or without reason or advance notice.

OFF DUTY CONDUCT

The Company does not seek to interfere with the off-duty conduct of its Employees. However, certain types of off-duty conduct may interfere with the Company's legitimate business interests. For this reason, Employees are expected to conduct their personal affairs in a manner that does not adversely affect the Company's or their own integrity, reputation or credibility. Illegal or immoral off-duty conduct by any Employee that adversely affects the Company's legitimate business interests or the Employee's ability to perform his/her job will not be tolerated. For this reason, you should be aware of the following policies:

While employed by the Company, Employees are expected to devote their energies to their responsibilities with the Company. The following types of additional employment elsewhere are strictly prohibited:

- Additional employment that conflicts with an Employee's work schedule, duties, and responsibilities at the Company;
- Additional employment that may create an actual, potential, or appearance of conflict of interest or is incompatible with the Employee's position with the Company;
- Additional employment that impairs or has a detrimental effect on the Employee's work performance with the Company;
- Additional employment, other than that with the Company, that requires an Employee to conduct work or related activities on Company property during the Company's working hours or using Company facilities and/or equipment; and
- Additional employment that directly or indirectly competes with the business or the interests of the Company.

Employees who wish to engage in additional employment that may create an actual, potential, or appearance of conflict of interest must submit a written request to Management explaining the details of the additional employment. If the additional employment is authorized, the Company assumes no responsibility for it. The Company shall not provide workers' compensation coverage or any other benefit for injuries occurring from or arising out of additional employment. Authorization to engage in additional employment can be revoked at any time.

APPEARANCE AND ATTIRE

Employees are expected to report to work well groomed and attired, and must maintain an appropriate appearance that is neat, clean and businesslike, as determined by the requirements of the work area. Dress and appearance should not be offensive to our Clients, Patients or other Employees. Employees are required to present a professional appearance at all times when acting on behalf of the Company. Further, the Company has a Fragrance Policy that strictly prohibits the use of fragrances/scents while at work. The Company reserves the right to send Employees home, without pay for the time missed, for grooming or to change clothes if an Employee is deemed to be inappropriate groomed or dressed.

If there are any questions as to what constitutes proper attire, please consult your Manager.

DRUGS AND ALCOHOL

Drug and alcohol use is highly detrimental to the workplace and to the productivity that the Company desires to promote. The Company requires that all Employees report to work fit to perform their jobs, and strictly and expressly prohibits the use, possession, distribution or sale of alcohol or illegal drugs while on duty, while on the Company premises or while operating a motor vehicle on Company property. This includes unauthorized alcoholic beverages, illegal drugs, and prescription drugs for which one does not have a prescription. Drug paraphernalia is also prohibited and is defined as any object which, in the judgment of the Company, is primarily for drug usage. It is against Company Policy to test positive for drugs or alcohol.

In order to enforce this Policy, Employees should have no expectation of privacy in connection with the Company's Drug and Alcohol Policy. Illegal drugs and alcohol are strictly prohibited. If the Company has a reasonable suspicion that an Employee is using illegal drugs and/or alcohol during working hours or on Company property, the Company reserves the right to conduct searches of Company property or Employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this Policy. Further, an Employee believed to be under the influence may be asked to submit to a drug-alcohol screen test. Failure to do so may lead to disciplinary action up to and including immediate termination.

If the Company has reasonable suspicion that an Employee is under the influence of drugs or alcohol during working hours (including lunch, breaks, and overtime) the Employee will be considered in violation of the Company's Drug-Free Workplace Policy. Therefore, an Employee may be subject to disciplinary action up to and including immediate termination.

HOURS OF WORK

Management and your co-workers depend on you to be on time for work and to perform your duties responsibly. The Company's regular business hours are from 8:00 a.m. until 8:00 p.m. Monday through Thursday, 8:00 a.m. to 5:00 p.m. Friday, 9:00 a.m. to 4:00 p.m. Saturday and Sunday. Our business, however, requires a variety of hours and your schedule will be determined by you and your Manager and can be changed by the Company based on work needs. Permission to vary normal work hours must be obtained in advance and in writing from your Manager.

PUNCTUALITY AND ATTENDANCE

The Company expects Employees to be punctual and reliable in reporting for scheduled work. The Company recognizes in rare instances that Employees may have to be late for or absent from work. If you are going to be late or absent from work for **any** reason, you are expected to call your Manager within two (12) hours prior to the beginning of your scheduled starting time whenever possible so we can make the necessary arrangements to cover your responsibilities. Keep in touch DAILY with your Manager on each day of continued absence.

EXCESSIVE TARDINESS/ABSENTEEISM

Excessive tardiness and/or absenteeism may lead to discipline up to and including immediate termination. Generally, forty (40) hours of unscheduled time off in any continuous 12-month period will be considered excessive. Failure to communicate with the Company when absent for three (3) consecutive workdays will be considered job abandonment.

CONFIDENTIALITY

It is imperative that Employees recognize the necessity of maintaining the confidentiality of all data and documents collected and processed by the Company. This information includes, but is not limited to Patient records, billing information, Company or Client financial information, Personnel and Payroll information, proprietary information regarding procedures or technologies, share price, bank balances, and liabilities. Employees must be committed to ethical standards expected by the Company as well as those expected by health care and management of business activities, and conduct themselves in an ethical manner and in compliance with local, state and federal laws and regulations.

Employees must recognize their part in assuring the right of privacy of persons (both Patients and co-workers) treated by Clients of the Company. Employees may not divulge any confidential information to anyone, except to communicate to authorized parties specific information necessary to carry out their responsibilities as defined by Management. Employees who disclose confidential information will be subject to disciplinary action up to and including immediate termination.

PROPRIETARY INFORMATION

Information concerning the Company's finances, plans, procedures, et cetera, is considered a valuable and confidential asset. Similarly, financial and other information about Clients and Patients is privileged and is to be held in confidence. Employees have a personal, professional, and legal responsibility to safeguard any and all such information to prevent its being discussed with anyone outside the Company, unless authorized pursuant to the legitimate business transactions of the Company. Employees who disclose proprietary information will be subject to disciplinary action, even if they do not actually benefit from the disclosed information. Should you have any questions regarding the confidentiality of any information, it is your responsibility to ask your Manager.

INVENTIONS/PATENTS

Employees must promptly disclose to the Company any and all improvements, discoveries, and inventions that he/she shall make or conceive during the period of his/her employment relating to the Company's business or to the actual or demonstrably anticipated research or development of the Company.

The Company requires Employees to assign or offer to assign the Employee's improvements, discoveries, and inventions if:

§ Developed entirely on the Company's time;

§ The equipment, supplies and facilities belong to the Company;

§ The Employee used trade secrets belonging to the Company;

§ The improvements, discoveries, and inventions relate to the Company's business or to the Company's actual research or development; and,

§ Improvements, discoveries, and inventions resulted from any work performed by the Employee for the Company.

Employees must execute any and all applications, assignments or other documents, which the Company deems necessary to protect the interest of the Company in such improvements, discoveries and inventions, including but not limited to applications for patents.

MEDIA

The Board of Directors is responsible for dealing directly with newspapers, magazines, and radio and television stations. Should representatives from any of these media contact you, refer all inquiries to the Management.

SECTION 5

OPERATIONAL CONSIDERATIONS

COMPANY PROPERTY

Desks, files, computers, telephones, and equipment are Company property and must be maintained according to Company rules and regulations. They must be kept neat and clean, and are to be used only for work-related purposes.

Electronics Use Policy

Introduction
The Internet provides a source of information that can benefit many departments within our Company. Therefore, it is the Policy of the Company that Employees whose job functions require or justify use of the Internet be provided access. All Employees accessing the Internet – whether doing business for the Company or for personal use (on a limited basis) on Company equipment, a Company-owned domain name, or on a Company Internet access account should become proficient in its capabilities, practice proper network etiquette, and agree to the conditions and requirements of this Policy.

As a good corporate citizen, and as a part of our commitment to our community, the Company has a responsibility to help make the Internet a safe, secure and productive business tool for our Employees and Clients, as well as for our prospective Clients.

Policy Overview
This Policy is designed to help our Employees understand the Company's requirements and expectations for the Internet and all its components, the computer system, the telephone system (including voice mail), facsimile machines, scanning devices, and photocopies (collectively, Internet and technology equipment). This Policy distinguishes between Internet and technology equipment access during the Employee's working hours and that performed on personal time (i.e., weekends, before and after work, lunch periods, or breaks). Limited personal use is allowed provided it does not interfere with the Employee's productivity, the congestion of the Internet and technology equipment, or by incurring unnecessary costs to the Company without proper authorization. All personal use must also be in accordance with the restrictions and requirements established in this Policy.

The Internet is a business tool. Access is made available for business-related purposes (i.e., to research relevant topic, communication with Clients, vendors, regulators, et cetera); and to obtain useful business information (except as outlined below). Employees are required to conduct themselves appropriately on the Internet. Proper use requires that respect be given to all copyrights, software licensing rules, property rights, and the privacy of others, just as would be in day-to-day business activities. Employees must also remain security-conscious and ensure that any files they receive electronically are scanned for virus contamination. Employees are cautioned not to use the Internet for any purpose that would reflect negatively on the Company or its Employees.

Unnecessary or unauthorized Internet usage causes network congestion. It slows other users' access, reduces effective work time, consumes supplies, and ties up printers and other shared resources. Unlawful Internet usage may contribute to reputation risks and expose the Company to legal liabilities.

What is said on the Internet, whether via e-mail, newsgroups, chat sessions, or otherwise, may be seen by millions of other users. It may be retained electronically by any number of them. Employees should restrict the personal freedoms the Internet affords unless they are a designated spokesperson for the Company. That is, they should not make any comment that may be misrepresented as being the Company's position unless they are empowered to make such a comment. Approval should be obtained from the President of the Company, or his/her designee, for all such comments.

POLICY PROVISIONS
The Company may have in place and use, at any time, software and systems to monitor and record all Internet activities. These systems are capable of recording (by user) each World Wide Web (www) site visited, chat, newsgroup or e-mail message and each file transferred into and out of our internal networks. The Company reserves the right to do so at any time. No user should have any expectation of privacy as to Internet usage.

1. Assigned individuals will review Internet activity logs and report suspicious findings to Management.

2. The Company reserves the right to inspect any and all files stored on Company-owned hardware to ensure compliance with this Policy.

3. The display of any kind of sexually explicit or discriminatory or harassing (as it pertains to race, color, religion, national origin, gender, marital status, age, sexual orientation, political beliefs,, receipt of financial aid, or disability) image of document on any Company computer or other devise is a violation of this Policy and may be grounds for termination. In addition, none of these files may be archived, stored, distributed, edited, or recorded using Company resources.

4. The Company may use approved software to identify inappropriate or sexually explicit Internet sites. These sites may be blocked from access based on some specific or general criteria. Management must approve exceptions. If the user becomes connected accidentally to a site that contains sexually explicit or offensive material, the user must disconnect from that site immediately, regardless of whether that site had been previously deemed acceptable by any filtering program, unless an exception has been justified or granted.

5. Inappropriate uses of the Company's equipment, hardware, software, and Internet connectivity include:

a. Uploading, downloading, or otherwise knowingly accessing or transmitting in any fashion:
§ Abusive, hateful, degrading, demeaning, derogatory or defamatory materials, information, or communications, especially materials pertaining to race, color, creed, religion, gender, marital status, age, national origin or ancestry, physical or mental disability, medical condition, sexual orientation, or any other consideration made unlawful by federal, state of local laws;
§ Pornographic, obscene, sexually explicit, indecent, or vulgar materials, pictures, information, or communications;
§ Any confidential records of the Company, its Clients or vendors without prior, proper authority to do so;
§ Any trade secrets, or other confidential or proprietary information;
§ Any materials or programs, including access and registration codes, which are in violation of copyright protections;
§ Resumes or other activities related to seeking employment outside of the Company unless expressly authorized to do so;
§ Chain letters, jokes, gambling of any nature (including sports or baby pools);
§ Solicitations or advertisements for other than the Company or its affiliates;
§ Any virus, worm, Trojan horse, or trap door program code.

b. Vandalizing, damaging, disabling, or gaining access to another entity's computer files or data. Federal law prohibits unauthorized individuals from accessing a computer or its data and from damaging either. This can result in a fine or imprisonment. Current law may require the Company to file a Suspicious Activity Report under certain circumstances.

c. Sending e-mail or otherwise transmitting anything anonymously or under an alias unless authorized.

d. Engaging in any activity restricted by local, state, federal or international laws. Use of any Company resources for illegal activity will be grounds for immediate dismissal. The Company will cooperate with any legitimate law enforcement activity.

6. Any files or software downloaded via the Internet or transmitted onto a Company computer or other device becomes the property of the Company. Any such files may be used only in ways that are consistent with the applicable licenses or copyrights.

Personal views cannot be presented as though they are that of the Company. Unless authorized to do so in the performance of duties, Employees may not speak or write in the name of the Company. Employees must refrain from any unauthorized endorsement or appearance of endorsement by the Company of any commercial product or service not sold or serviced by the Company or any political endorsement.

7. Subscribed services, whether free or on a cost basis (i.e., newsgroups, listservers, et cetera), and participation in chat sessions will require prior Management approval. When participating in any newsgroup or chat session or when sending e-mail, an Employee may not reveal confidential information, customer data, or trade secrets.

8. All outgoing e-mail and postings to newsgroups, listservers, et cetera must be reviewed just as though it were traditional correspondence. Improper spelling and grammar reflect poorly on the professional image of the Company and its Employees.

9. Use of the Internet for extended periods of time, such as file downloads longer than five (5) minutes each, video and audio streaming, and use of push technologies such as Internet Channels or other recurring, regularly scheduled downloads, will only be permitted on a case-by-case basis by the Employee's Manager. These activities, if appropriate and approved, should be completed during non-peak periods if at all possible.

10. Any program or file that is downloaded must be scanned for viruses before it is executed or accessed. The Employee should ensure that the virus protection program installed on his/her computer is running at all times except instances when approved software is being installed and only if that will interfere with the installation.

11. Any Employee who attempts to disable or circumvent any Company security program or device (including timekeeping programs/data and clock synchronization software) will be in violation of this Policy and subject to disciplinary action up to and including termination.

12. Although customer service is vital to our success, so is our obligation to help prevent identity fraud against any of our customers. For this reason, Employees will not reveal confidential customer information in response to an e-mail request unless the identity of the customer (e-mail sender) is absolutely verified.

§ Files containing sensitive Company or customer data that are transmitted in any way over the Internet must be encrypted or password-protected in a Company-approved manner. The decryption key or password should be transmitted to the intended received by another means, such as conventional mail or telephone. Exceptions must be approved by a Manager and should be rare.
§ Encryption keys and passwords must NEVER be given to unauthorized individuals.

13. User identifications and passwords help maintain individual accountability for computer usage. These are meant to be confidential. Company Policy prohibits the sharing of user identifications or passwords for use of any Company computer or other device unless prior authorization has been obtained from Senior Management.

14. Computers at work are provided for Company use. However, when approval by Management on a case-by-case basis, Employees may be permitted to engage in the following activities:

§ During working hours, Employees may access job-related information to perform specific job requirements;
§ During time off the clock, Employees may use the Internet for personal use on a limited basis adhering to the above-mentioned policies. If the Employee's Internet connection is shared, either on a shared computer or peripheral, Company business conducted by an Employee will take precedence when there is a time-use conflict;
§ Employees are prohibited from initiating non work-related Internet access using Company resources from remote locations;
§ Any software downloaded via the Internet or transmitted onto a Company computer or other device requires prior approval from the IT department or Senior Management.

TRAINING

All Employees using the Internet at or for the Company should practice Internet "Netiquette" (which may be referred on-line at (http://www.albion.com/netiquette) and review the training resources made available by the Company.

AUDIT

Internal audits may be completed periodically and without prior warning. The scope of the audit may include a review of users' logs as generated by any monitoring software approved by the Company. Downloaded and archived documents will be periodically scanned for keywords and graphics, which are not in compliance with the restrictions set forth in this Policy. Violations will be reported to Management.

RECORD RETENTION

All incoming correspondence will be retained for not less than ninety (90) days. If it involves a dispute of any kind under investigation, retention may be indefinite.

Correspondence or messages that require timed responses and special retention should be immediately routed to the designed individual department as noted in the Company's applicable policies. Employee discretion should be used with respect to printing messages for retention with other documents for convenience.

ENFORCEMENT

Violations of this Policy may result in disciplinary action. Depending on the severity or frequency of the violations, this could include:

- Formal written counseling for Policy violations;
- A suspension/termination of Internet or PC use privileges. This could then result in a position/function reassignment, and the Employee's compensation may be affected;
- A termination of employment;
- Personal liability under applicable local, state, federal or international laws.

The Company's polices in no way limit or alter the 'at will' employment relationship.

PERSONAL USE OF COMPANY PROPERTY

Without the express prior authorization of Management, use of Company equipment is limited to Company business.

Personal use and/or removal of Company property requires prior authorization of Management. This includes, but is not limited to, such things as personal computers, postage meters, telephones, and use of Company storage facilities for personal property.

SEARCHES

The Company is concerned about maintaining security, protecting its property, and protecting Employee property. The use or possession of prohibited substances on Company property is strictly prohibited.

Prohibited substances include unauthorized alcoholic beverages, illegal drugs, and prescription drugs for which one does not have a prescription. Drug paraphernalia is also prohibited and is defined as any object which, in the judgment of the Company, is primarily for drug usage. Weapons, firearms, explosives, and ammunition are also prohibited on Company property.

Possession of prohibited substances or refusal by Employees to cooperate fully in any search shall result in discipline up to and including immediate termination and/or physical removal from Company property.

COMMUNICATIONS POLICY AND SOFTWARE LICENSING

The Company communicates in a number of ways, including face-to-face meetings, memos, e-mail and voice-mail communications. The voice-mail, computer, e-mail, Internet and pager systems are owned and maintained by the Company in order to facilitate Company business. Therefore, all messages sent, received, composed, downloaded and/or stored on theses systems are the property of the Company and are not to be considered private by Employees.

Messages sent via these systems should not be marked as "confidential" and the use of passwords does not imply confidentiality. All systems are to be utilized for business purposes only.

While we respect our Employees' right to privacy, the Company reserves the right to inspect Employee voice-mail, computer files, software, e-mail and Internet communications as necessary.

Voice-mail, e-mail and computer files are subject to the same legal requirements as any other Company document. Therefore, any message that could be considered offensive or discriminatory is not allowed. Sensitive topics including Employee actions, proprietary information, trade secrets and/or financial information should not be discussed electronically or by telephone (i.e., via e-mail or voice-mail).

All Company-owned software must be legally licensed. At no time, may the user without the prior knowledge and consent of the Information Technology/Systems Departments install software; and, at no time may an Employee utilizing the Company's computers and/or computer systems use pirated software.

Employees are prohibited from taping or video-recording conversations (telephone or otherwise), whether work-related or not, with Managers, co-workers, contractors, vendors, and customers, unless authorized by the Board of Directors. Violation of this Communications Policy may result in discipline up to and including immediate termination.

SECURITY

Everyone shares the responsibility of maintaining a secure working environment. To this end, the Company requires the cooperation of all Employees in administering this Policy. 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.

Be aware of persons loitering for no apparent reason in the parking areas, office or near entrances/exits. Unfamiliar individuals should be reported immediately to Management.

Employees are encouraged to take reasonable precautions in protecting their personal property and the property of the Company. Secured areas should always be used to store wallets, purses, et cetera. When called away from your work area for any length of time, do not leave valuable and/or personal articles in or around your workstation that may be accessible. The Company is not responsible for personal items belonging to Employees, Independent Contractors, et cetera. At the end of each day, Employees should store valuable small items in a locked place. Any loss of property or suspicious event should be reported immediately to Human Resources or Management. Close all files at the end of the day and lock all lockable drawers and cabinets.

Of course, theft or unauthorized possession of the property of the Company or its Employees, Clients, and visitors is strictly prohibited.

Through administration of this Policy and cooperating fully with law enforcement agencies, the Company will attempt to create a secure working environment for its Employees. However, the Company is not responsible for reimbursing, replacing or repairing any Employee's personal property that is stolen, lost, or damaged.

VIOLENCE IN THE WORKPLACE

The Company recognizes that workplace violence is a growing concern among Employers and Employees across the country. The Company is committed to provide a safe, violence-free workplace. In this regard, the Company strictly prohibits Employees, Consultants, Customers, Visitors, or anyone else on Company premises or engaging in a Company-related activity from behaving in a violent or threatening manner. Moreover, as part of the Policy, the Company seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity towards violence prior to any violent behavior occurring.

The Company believes that prevention of workplace violence begins with recognition and awareness of potential early warning signs and has established procedures within Management for responding to situations that present the possibility of violence.

Workplace violence includes, but is not limited to, the following:

§ Threats of any kind;

§ Threatening, physically aggressive, or violent behavior, such as intimidation of or attempts to instill fear in others;

§ Other behavior that suggests a propensity towards violence, including belligerent speech, excessive arguing or swearing, sabotage, or threats to sabotage Company property, or a demonstrated pattern of refusal to follow Company policies and procedures;

§ Defacing Company property or causing physical damage to the facilities; or

§ With the exception of security personnel, bringing weapons or firearms of any kind on Company premises, in Company parking lots, or while conducting Company business or events.

If any Employee observes or becomes aware of any of the above-listed actions or behavior by an Employee, Consultant, Customer, Visitor, or anyone else, he/she should notify Management IMMEDIATELY.

Further, Employees should notify Management if any restraining order is in effect, or if a potentially violent non-work-related situation exists that could result in violence in the workplace.

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, the Company will inform the reporting individual of the results of the investigation. To the extent possible, the Company will maintain the confidentiality of the reporting individual and of the investigation. The Company may, however, need to disclose results in appropriate circumstances, for example, in order to protect individual safety. The Company will not tolerate retaliation against any Employee who reports workplace violence.

If the Company determines that workplace violence has occurred, the Company will take appropriate corrective action and will impose discipline on offending Employees. The appropriate discipline will depend on the particular facts, but may include oral or written warnings, probation, re-assignment of responsibilities, suspension, or immediate termination. If the violent behavior is that of a non-employee, the Company will take appropriate corrective action in an attempt to ensure that such behavior is not repeated.

Prohibited Conduct
This Policy prohibits not only physical violent behavior, but also behavior that is threatening, harassing or intimidating. Prohibited behavior includes, but is not limited to:

§ Possession of firearms, explosives, weapons such as knives, or any other hazardous or dangerous devices on Company property or at any Company-sponsored event, whether on or off the premises. Additionally, use of any item as a weapon is prohibited.

§ Disorderly conduct on Company property, including fighting, inciting/provoking another to fight, battery, attempted bodily injury, or physically abusing any Employee or visitor.

§ Using abusive or threatening language, coercing, threatening or otherwise harassing any Employee or visitor.

§ Actual or threatened physical violence towards another Employee or visitor.

Response Guidelines
Keeping the workplace free of violence can only be accomplished if every Employee takes personal responsibility for being aware of and reporting potentially violent behavior. Therefore, all Employees are responsible for reporting any incident involving threats or acts of violence immediately to their Management. The matter will be investigated and appropriate corrective action will be taken. Violations of this Policy will lead to disciplinary action, up to and including immediate termination.

In addition, to assist the Company in its efforts to maintain a violence-free workplace, Employees are strongly encouraged to notify Management about any restraining order in effect or any potentially violent situation outside of work that could result in violence in the workplace. Employees who become aware of any other workplace security hazards or who have suggestions for increasing security in the workplace should also speak to Management. Employees making reports as encouraged by this Policy will not be retaliated against, and the Company will not tolerate any such retaliation.

HEALTH AND SAFETY

All Employees are responsible for their own safety, as well as that of others in the workplace. To help the Company maintain a safe workplace, all Employees must be safety-conscious at all times. In compliance with California law, and to promote the concept of a safe workplace, the Company maintains an Injury and Illness Prevention Program. A copy of the Program is available through Management.

In compliance with Proposition 65, the Company will inform Employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

ERGONOMICS

The Company is subject to Cal/OSHA ergonomics standards for minimizing workplace Repetitive Motion Injuries (RMIs), and will make the necessary adjustments to reduce exposure to ergonomic hazards through modifications to equipment and processes and Employee training. The Company encourages safe and proper work procedures and requires all Employees to follow safety instructions and guidelines.

The Company believes that reduction of ergonomic risk is instrumental in maintaining an environment of personal safety and well being, and is essential to our business. We intend to provide appropriate resources to create a risk-free environment.

If you have any questions about ergonomics, please contact Management.

SAFETY

Every Employee is responsible for safety. To achieve our goal of providing a completely safe workplace, everyone must be safety conscious. Please report any unsafe or hazardous condition directly to your Manager immediately.

In case of an accident involving a personal injury, regardless of how serious, please notify your Manager immediately. Failure to report accidents can result in a violation of legal requirements and can lead to difficulties in processing insurance and benefit claims.

EMERGENCY PROCEDURES

Call 911 For Police, Fire Department Or Ambulance Immediately.
Local Emergency Telephone Numbers Are Posted Near The Bulletin Board.

§ Reporting Procedure. Report fires immediately by turning on a fire alarm and telephoning the Fire Department. Report the location of the fire and the area from which you are calling.

§ Use of Fire Extinguishers. Do not use any of the fire fighting equipment for any purpose other than fighting fires unless your Manager grants permission. Know where the fire extinguishers are located and how to operate them. After a fire extinguisher has been used, notify Management. WATER-TYPE EXTINGUISHERS ARE NOT TO BE USED ON ELECTRICAL LINES OR EQUIPMENT.

§ Location of Exits. Memorize the location of exits and keep fire equipment clear of debris and obstruction. Also keep all hallways, passageways and entrances/exits clear of debris and obstruction.

GENERAL SAFETY RULES

§ When you are not absolutely certain as to the safe method of performing any job, see your Manager.
§ Never fail to use safeguards provided, and under no circumstances should safety signs be removed without the authority of your Manager.
§ Do not touch or attempt to clean or adjust any part of a machine while it is in motion.
§ Do not use makeshift ladders. Use the appropriate ladder for the job and be sure that it is properly set.
§ Report to your Manager at once any unsafe practices or accident hazards that you may see or which are called to your attention.

THE FOREGOING SAFETY RULES, PROCEDURES AND GUIDELINES ARE ESTABLISHED BY WAY OF EXAMPLE, NOT BY WAY OF LIMITATION. ALL EMPLOYEES ARE RESPONSIBLE FOR ANY SUBSEQUENT ADDITIONS OR CHANGES IN THE COMPANY SAFETY RULES WHICH SHALL BE POSTED. EMPLOYEES ARE ENCOURAGED TO CONTACT THE OFFICE WITH ANY QUESTIONS OR PROBLEMS.

SMOKING

Smoking is not allowed in any enclosed or patient care area of the facility.

HOUSEKEEPING

All Employees are expected to keep their work areas clean and organized. Employees using common areas such as Kitchen/Break Rooms and restrooms are expected to keep them neat, organized and sanitary. Please clean up after meals/breaks and dispose of trash properly.

SOLICITATION AND DISTRIBUTION

Employees may engage in solicitation on Company premises only during non-working time, and the non-working time of the person being solicited. Non-working time means time during meals or breaks, and before or after work. Employees may distribute or circulate non-Company written materials to other Employees only during non-working time and only in non-working areas. If it's unclear whether an area is a work or non-work area, Employees should consult with their immediate Manager or Manager for clarification.

Solicitation or distribution in any way connected with the sale of any goods or services for profit is strictly prohibited anywhere on Company property at any time. Solicitation or distribution of literature for any purpose by non-Employees is strictly prohibited on Company property at any time.

VISITORS, CLIENTS AND ACCESS

Visitors and Clients shall not be allowed in areas other than the Lobby unless accompanied by an Employee at all times.

POSTING NOTICES

The Company maintains Bulletin Boards located in the Kitchen/Break Room. Bulletin boards are used to provide information to employees concerning legally required postings and information as well as miscellaneous information. Employees may not post items on the Company Bulletin Board unless the following conditions are met:

§ Postings may be made by Company Employees only; and

§ The information to be posted must first be approved by Management.

CONDUCTING PERSONAL BUSINESS

Employees are to conduct only Company business while at work. Employees may not conduct personal business or business for another employer during their scheduled working hours.

TELEPHONES

Telephones must be kept free for conducting Company business. Personal calls should be made or accepted only on an Employee's break time or in the case of an emergency.

EXPENSES

Employees will be reimbursed for reasonable and authorized expenses incurred while conducting Company business. Expense reports must be submitted to your Manager for approval in accordance with the Company's practice. The Company cannot approve undocumented expenses. Therefore, receipts are required.

The IRS is strict as to what documentation is necessary with respect to expenses incurred by Employees. As an example, the IRS requires receipts for all business entertainment expenses of $25 or more. To the extent the IRS determines documentation is unsatisfactory, the expense may be denied. Similarly, the Company requires a receipt documenting all business expenses.

All Employees can benefit from an expense procedure that details the standard practices that are to be followed. All expenses require prior approval from Management.

The information that follow details what types of expenses will be accepted and the approval and documentation necessary with each. Additionally, the material provides specific guidelines with respect to selected expenses, mainly to describe what constitutes a proper expenditure.

Payment Process
There are three (3) basis ways in which an Employee may incur an expense after approval by Management:

§ Cash Expenditures
Cash expenditures made by an Employee will be reimbursed through submission of the Company's Expense Report. The form should be submitted immediately; payments will be made within two (2) weeks.

Legible receipts must be attached. Failure to provide appropriate receipts could result in the reimbursement being denied. The receipt should identify the business purpose associated with the expense.

Reimbursement for mileage expense will only be made when the details of the mileage, destination, and business purpose are identified. The detail must also be recorded for trips between the Company, Clients and vendors.

§ Invoices
All invoices that are not paid by for cash or credit card should be submitted to Management for payment as soon as possible, but in all cases, before the date the invoice is due to be paid. Invoices must contain the following:

§ The date the invoice was received;

§ Employee's name;

§ Description of the material purchased;

§ Office or department to be charged.

CASH ADVANCES

The Company does not allow cash advances or loans to Employees for personal reasons.

It may be appropriate to receive a cash advance of a business expense when use of personal funds would create a hardship. Cash advances require advance approval of Management.

SEMINARS, WORKSHOPS AND TRAINING

Seminars, Workshops and Training must be pre-approved by Management. All requests for approval must include time, place, fees, estimate of total expense, and the purpose or benefit of attending.

MILEAGE

Mileage will be reimbursed at the standard allowable rate set by the IRS. Employees are required to complete a Company Expense Report. The Report should include detailed information on the destination of the Employee, and the purpose and date of the trip.

SECTION 6

EMPLOYEE BENEFITS

The Company recognizes that benefits are an important part of everyone's compensation package. We are pleased to be able to provide these benefits based on your hard work, support and commitment in ensuring the growth and success of this Company. For exact information concerning eligibility of any specific benefits, terms, or Summary Plan Descriptions, please contact the Manager.

Should any of the information provided in these policies conflict in any way with the source documents (Plan document), the source document(s) shall be the final authority. The following is a presentation of your Company benefits.

HOLIDAYS

All Hourly Rate Paid Full-Time Employees will receive the following paid Holidays annually:

- § New Year's Day
- § President's Day
- § Memorial Day
- § Independence Day
- § Labor Day
- § Thanksgiving Day
- § Christmas Day
- § The Day After Christmas

The Company reserves the right to designate alternate Holidays each year.

When a Holiday falls on a Saturday or Sunday, the Holiday may be recognized on either the Friday before or the following Monday.

If a Holiday falls on an Employee's regularly scheduled day off, the Employee will be provided another day off based on a date approved by Management.

Holiday Pay Eligibility

All eligible Hourly-paid Regular Full-Time Employees are eligible for Holiday pay even though no work is performed on the above-mentioned Holidays. If you are eligible, you will be paid for such Holidays on the basis of your regularly scheduled hours at the regular straight-time hourly wage rate. To receive Holiday pay, you must work the last regular workday preceding the Holiday and the first regular workday following the Holiday. **New Employees will not be eligible for Holiday Pay until they have completed ninety (90) days of consecutive employment.**

Holiday During Vacation

If you are eligible for Holiday pay and a Holiday recognized by the Company falls during your vacation, you will receive Holiday pay in lieu of vacation pay for that day.

Holiday During a Leave of Absence

In the event that a Holiday recognized by the Company falls during an Employee's Leave of Absence, the Employee **will not** be eligible for Holiday pay.

Vacation Time

Vacation time is as specified under each individual employee contract and is not paid.

RETIREMENT BENEFITS

SIMPLE IRA RETIREMENT BENEFIT

Key features of the plan are: flexible employee contributions; contributions made to individual SIMPLE IRA's; employees choose benefits; and no annual IRS reporting. The Company shall match dollar-for-dollar up to 3% of compensation (up to the maximum permitted for the year). The maximum salary deferral for those under age 50 is 100% of compensation or $9,000, whichever is less. For those age 50 or older, the maximum salary deferral is 1000% of compensation or $10,500, whichever is less. The deadline for company establishment of plans with the Bank is October 1 for the first funding. Salary deferrals must be deposited monthly. Employer contributions may be funded through the business tax filing due date plus extensions.

SOCIAL SECURITY AND MEDICARE

Social Security and Medicare is an important part of every Employee's retirement benefit. The Company pays a matching contribution to each Employee's Social Security and Medicare taxes.

HEALTH AND WELFARE BENEFITS

It is the Company's philosophy to provide superior quality benefits to protect the health and welfare of its Employees and to assist Employees in making long-range plans. Accordingly, the Company has established the following benefits.

Waiting Period for Regular Full-Time Employees
Regular Full-Time Employees will become eligible for group medical and dental coverage on the first day of the calendar month following date of hire.

GROUP HEALTH INSURANCE

The Company pays for a group health insurance program that includes medical and dental insurance is available to Regular Full-Time Employees, unless specified otherwise under contract. Dependent's coverage is not provided as a benefit, but may be available to Employees at group rates for the Employee's immediate family. Dependent premiums are paid for in the form of automatic payroll deductions. Please refer to the Summary Plan Descriptions for exact information.

STATE DISABILITY INSURANCE

State Disability Insurance (SDI) is a state-mandated, partial wage-replacement insurance plan for California workers. The Program is funded through Employee payroll deductions and administered through California's Employment Development Department (EDD). SDI provides short-term benefits by partially compensating eligible workers who suffer a loss of wages when they are unable to work due to a non-work-related illness or injury, or when they are medically disabled due to pregnancy or childbirth.

SDI partially compensates loss of earnings due to sickness and injury not covered by Workers' Compensation. However, persons receiving Workers' Compensation can qualify for some disability insurance payments if the Workers' Compensation payments fall below the payments they could receive from SDI. Such persons can receive the difference between Workers' Compensation payments and disability insurance payments from the disability program. Check with Human Resources for additional information

UNEMPLOYMENT INSURANCE (UI)

The Company pays all Unemployment Insurance premiums for Employees while they are employed with the Company. Employees' terminating their employment with the Company may be eligible for unemployment insurance. Additional information on unemployment insurance will be provided to Employees upon their immediate termination of employment with the Company.

WORKERS' COMPENSATION

The Company, in accordance with state law, provides Workers' Compensation Insurance coverage for Employees in case of work-related injury. The Workers' Compensation benefits provided to injured Employees may include:

§ Medical care;

§ Cash benefits, tax free, to replace lost wages; and,

§ Vocational rehabilitation to help qualified injured Employees return to suitable employment.

If an Employee is a victim of a crime at his/her workplace, the Employee may be eligible for Workers' Compensation benefits for resulting injuries, including psychiatric injuries.

The Company will not be liable for the payment of Worker's 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.

To ensure that Employees receive any Workers' Compensation benefits to which they may be entitled, they must:

§ Immediately report any work-related injury to their Manager or the Human Resources Manager;

§ Seek medical treatment and follow-up care, if required;

§ Complete a written Employee's Claim Form (DWC Form 1) and return it to the Human Resources Manager;

§ Provide the Human Resources Manager with a certification from your health care provider regarding the need for Workers' Compensation Disability Leave showing your diagnosis and your inability to perform the duties of your job, as well as the your eventual ability to return to work from Leave.

Upon submission of a medical certification that an Employee is able to return to work after a Workers' Compensation Leave, the Employee under most circumstances will be reinstated to his/her same position held at the time the Leave began, or to an equivalent position, if available. An Employee returning from a Workers' Compensation Leave has no greater right to reinstatement than if the Employee had been continuously employed rather than on Leave. For example, if the Employee on Workers' Compensation Leave would have been laid off had he/she not gone on Leave, or if the Employee's position has been eliminated or filled in order to avoid undermining the Company's ability to operate safely and efficiently during the Leave, and no equivalent or comparable positions are available, then the Employee would not be entitled to reinstatement.

An Employee's return depends on his/her qualifications for any existing openings. If, after returning from a Workers' Compensation disability Leave, an Employee is unable to perform the essential functions of his/her job because of a physical or mental disability, the Company's obligations to the Employee may include reasonable accommodation, as governed by the ADA (American's with Disabilities Act).

INTEGRATION OF BENEFITS

Employees are responsible for providing information to Payroll on funds they have received from SDI or Workers' Compensation so that funds paid by the Company can be integrated. Integration means that Company-paid compensation plus SDI or Workers' Compensation payments will not exceed 100% of the Employees regular straight-time wage or salary.

LEAVES OF ABSENCE

It is Company Policy to consider granting Leaves of Absence to eligible Employees who must be away from their jobs for reasons of civic duty or due to circumstances beyond their control. Such Leaves may be granted with full pay, partial pay or without pay. Use of Vacation Time for some Leaves will be mandatory; however, with most Leaves, use of Vacation Time is at the Employees option. Generally, the circumstances under which Leaves will be considered are set forth below.

Leaves Request Procedure
If you need a Leave of Absence for any reason, you must submit the request for a Leave in writing to your Manager. Under emergency circumstances, you may request a Leave verbally from your Manager.

Any request for Leave should be submitted at the earliest possible date and must contain the following information:
§ The type of Leave requested;
§ The dates the desired Leave would begin and end;
§ The reason for the Leave; and,
§ Any other pertinent information.

Management will review the request in light of this Policy and the Manager's recommendation, and will inform the Employee of its decision (consistent with the requirements of state and federal law).

If at any time during the Leave of Absence your reason for requesting the Leave no longer exists, you must report back to work immediately.

If you fail to return to work on the date specified for expiration of the Leave, we will consider you to have abandoned your job.

MEDICAL CERTIFICATION

A Doctor's certificate verifying disability must be presented for Medical Disability Leaves before a Leave may be approved. A Doctor's certificate authorizing a return to work (Medical Release) must also be presented before an Employee may return to work from a Medical Disability Leave.

KIN CARE

Employees may use vacation time or take time off in accordance with the Medical Leave Act to attend to a child, parent, spouse, domestic partner, or the child of a domestic partner that is ill.

Unless specified as otherwise by the Medical Leave act, a "child" is defined as a biological, foster or adopted child, stepchild, child of a domestic partner, or a legal ward. A "child" also may be someone for whom you have accepted the duties and responsibilities of raising, even if he/she is not your legal child.

A "parent" is your biological, foster or adoptive parent, stepparent, or legal guardian.

A "spouse" is your legal spouse according to the laws of California, which do not recognize "common law" spouses (a union that has not been certified by a civil or religious ceremony).

A "domestic partner" is your partner as defined in California law, where "two adults who have chosen to share one another's lives in an intimate and committed relationship of mutual caring" and who file a Declaration of Domestic Partnership with the Secretary of State.

A "domestic partner's child" is the biological, foster, or adopted child, stepchild, or legal ward of your domestic partner. A "domestic partner's child" also may be someone for whom your domestic partner has accepted the duties and responsibilities of raising, even if he/she is not your domestic partner's legal child.

All conditions and restrictions placed on Vacation Time apply also to Vacation Time used for care of a child, parent, spouse, or registered domestic partner, and do not include time taken under the Medical Leave Act.

PREGNANCY DISABILITY LEAVE (PDL)

Under the California Fair Employment and Housing Act (FEHA), unpaid Pregnancy Disability Leaves are granted if any Employee is "disabled" due to pregnancy, childbirth or a related medical condition. If you are affected by pregnancy or a related medical condition, you are also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if this transfer is medically advisable.

- Pregnancy Disability Leave is for any period(s) of actual disability caused by your pregnancy, childbirth or related medical conditions up to four months (or 88 workdays for a full-time Employee). However, other Leaves may be combined in accordance with state and federal law.
- Pregnancy Disability Leave does not need to be taken in one continuous period of time but can be taken on an as-needed basis.
- Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth all would be covered by your Pregnancy Disability Leave. Pregnancy Disability Leave or pregnancy-related disability shall not be used for bonding, child rearing and/or adoptions

The decision regarding when to notify the Company and to begin Pregnancy Disability Leave will be determined by the specific medical circumstances of each case and the Employee's licensed health care practitioner; however, the Employee:

- Must inform the Company when a Leave is expected to begin and how long it will likely last. If the need for a Leave or transfer is foreseeable, Employees must provide notification at least thirty (30) days before the Pregnancy Disability Leave or transfer is to begin. Employees must consult with their Manager regarding the scheduling of any planned medical treatment in order to minimize disruption to the operations of the Company. Any such scheduling is subject to the approval of the Employee's health care provider.
- If thirty (30) days advance notice is not possible, notice must be given as soon as practical.
- Upon the request of an Employee and recommendation of the Employee's physician, 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 rights of others are not breached.
- Temporary transfers due to health considerations will be granted when possible. However, 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.

You will be required to obtain certification from your health care provider for your pregnancy disability or the medical advisability for a transfer. The certification should include:

- The date on which you become disabled due to the pregnancy or the date of the medical advisability for the transfer;
- The probably duration of the period(s) of disability or the period(s) for the advisability of the transfer; and,
- A statement that, due to the disability,
  (a) You are unable to work at all or to perform any one or more of the essential functions of your position without undue risk to yourself, the successful completion of your pregnancy or to the other persons,
  (b) The transfer is medically advisable.

There is no length of service requirement before an Employee disabled by pregnancy is entitled to a Pregnancy Disability Leave. Women who are disabled by pregnancy are entitled to State Disability Insurance (SDI) to the extent as for all other disabilities.

In order to return to work, the Employee must notify the Company as far in advance as possible. A return to work will be allowed only when the Employee provides a Medical Release by the Employee's health care practitioner.

Under most circumstances, upon submission of a medical certification that the Employee is able to return to work from a Pregnancy Disability Leave, the Employee will be reinstated to her same position held at the time of 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. Therefore, the Company will treat reinstatement in accordance with any applicable state and federal laws. Employees may use vacation time in connection with the Pregnancy Disability Leave, but are not required to do so. After vacation time pay has been exhausted, the remainder of the Leave shall be unpaid.

INSURANCE PREMIUMS WHILE ON DISABILITY LEAVE

In general, the Company will continue to pay its portion of medical premiums to the end of the month following the month in which the disabled Employee is no longer directly compensated by the Company for fifteen (15) or more days. After that time, disabled Employees will be offered the option to extend their coverage through self-payment of medical premiums and/or COBRA. Each Employee is responsible for checking with Accounting or Human Resources for current insurance coverage guidelines, based on his/her specific circumstances.

MILITARY LEAVE OF ABSENCE

Employees are required to provide advance written or verbal notice of the need for Military Leave.

Military Reserve Training. If you are a member of the armed forces military reserve and are required to participate in annual military training away from work, you may receive a partially paid Leave to a maximum of ten (10) working days per year. During such Leave, the Company will pay your regular straight-time rate of pay minus any compensation you receive from the armed forces. You will need to present a military pay voucher to Payroll before receiving any pay supplement.

Enlistment/Induction. If you are a Regular Employee and enlist or are inducted into the military, you will be granted an unpaid Leave of Absence in accordance with federal law. You are entitled to reinstatement upon completion of military service, provided you return or apply for reinstatement within the time allowed by law. Employees may use Vacation Time in connection with the Military Leave, but are not required to do so. After Vacation Time has been exhausted, the remainder of the Leave shall be unpaid.

JURY OR WITNESS DUTY

The Company encourages all Employees to fulfill their obligations as citizens of the community. An Employee receiving a Jury or Witness Notice should inform his/her Manager immediately because it may be necessary to rearrange work schedules during the Employee's absence from work. They should also provide a copy of the Notice to Human Resources for his/her personnel file.

Under normal circumstances, Employees will be granted a paid Leave to fulfill their jury or witness duty requirements if the Company has employed the Employee for one (1) year or more. During such Leaves, the Company will pay the Employee's regular straight-time rate of pay for up to two (2) days per year. Such pay shall be net of any remuneration received by the Employee from the court or litigants or any of their representatives. Employees must present an official payment voucher to the Company as proof of attendance and sign the payment voucher over to the Company or reimburse the Company for that amount before receiving regular pay. If Employees are released from Jury or Witness Duty within their normal working hours, they are expected to return to work. Employees may use Vacation Time in connection with the Jury or Witness Duty Leave, but are not required to do so. After Vacation Time has been exhausted, the remainder of the Leave shall be unpaid.

VOTING

Reasonable time off will be permitted to vote in official local, state and federal elections. Such time shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time. Under these circumstances, a maximum of two (2) hours of time off will be given if, due to work schedule and commuting distance, it is impossible for you to vote either before or after working hours. If time off will be needed for voting, you must request such time off three (3) days prior to the election.

BEREAVEMENT LEAVE

If you experience a death in the immediate family, the Company will grant a paid Leave up to three (3) working days to Regular Full-Time Employees. Other Employees may take this time as unpaid.

An Employee's immediate family is defined as any person in the status of parent, sibling, grandparent, spouse, mother-in-law, father-in-law, daughter-in-law, son-in-law, child (natural, stepchild or adopted) or grandchild.

VICTIMS OF DOMESTIC VIOLENCE LEAVE

Victims of domestic violence will be allowed to take unpaid Leave in accordance with state and federal law for certain purposes to help ensure his/her health, safety or welfare, or that of his/her child. Employees may request such Leave if they are involved in a judicial action, such as obtaining restraining orders, appearing in court to obtain relief to ensure their health, safety or welfare, or that of their child.

Employees should provide notice and certification of their 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 action of domestic violence, or other evidence from the court or prosecuting attorney that the Employee appeared in court;
- 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.

Employees may use Vacation Time in connection with the Jury or Witness Duty Leave, but are not required to do so. After Vacation Time pay has been exhausted, the remainder of the Leave shall be unpaid.

CHILD'S SUSPENSION LEAVE

An Employee who is the parent or guardian of a child who has been suspended from school will be allowed unpaid time off if requested to appear at the school in connection with that suspension. Employees must give reasonable notice.

Employees may use Vacation Time in connection with the Child's Suspension Leave, but are not required to do so. After Vacation Time has been exhausted, the remainder of the Leave shall be unpaid.

SCHOOL OR DAY CARE ACTIVITIES LEAVE

Employees are encouraged to participate in the school activities of their child(ren). Unpaid Leave to participate in activities of a school or licensed day care facility is subject to certain guidelines and limitation.

- Parents, guardians, or grandparents having custody of one or more children in kindergarten or grades one (1) through twelve (12) may take time off for school activity;
- The time off for school activity participation cannot exceed eight (8) hours in any calendar month, or a total of forty (40) hours each school year;
- Employees planning to take time off for school visitations must provide as much advance notice as possible to their Manager;
- Prior approval must be obtained by your Manager;
- If the Company employs both parents, the first Employee to request such Leave will receive the time off. The other parent will receive the time off only if the Leave is approved by his/her Manager;

§ Employees are required to provide their Manager with documentation from the school verifying that the Employee participated in a school activity on the day of the Leave for that purpose.

Employees may use Vacation Time in connection with the School or Day Care Activities Leave. After Vacation Time has been exhausted, the remainder of the Leave shall be unpaid.

EMERGENCY DUTY LEAVE

The Company provides unpaid Leaves of Absence in accordance with state and federal law for certain Employees ("Emergency Rescue Personnel" as defined by law) required to perform emergency duty. Employees are required to provide advance written or verbal notice of the need for Emergency Duty Leave whenever possible. When taking time off for emergency duty, please alert your Manager before doing so.

"Emergency Rescue Personnel" is defined as any person who is an officer, employee, or member of a fire department or fire protection or firefighting agency of the federal government, the State of California, a city, county, city and county, district, or other public or municipal corporation or political subdivision of California, or of a sheriff's department, police department, or a private fire department, whether that person is a volunteer or partly paid or fully paid, while he/she is actually engaged in providing emergency services. Employees may use Vacation Time in connection with the Emergency Duty Leave, but are not required to do so. After Vacation Time has been exhausted, the remainder of the Leave shall be unpaid.

EDUCATION REIMBURSEMENT PROGRAM

Although no formal training program is available, it is the Company's Policy to provide some education reimbursement for those who are taking approved educational courses and seminars to improve themselves in their work. If you wish to take advantage of this benefit you must make arrangements and obtain written approval from Management prior to incurring costs for which you wish reimbursement.

EMPLOYEES WITH LITERACY PROBLEMS

Employees with literacy problems may request the Company's assistance in enrolling in an adult literacy education program. The Company will make a reasonable effort to accommodate such requests, but will not be required to do so if an accommodation would impose an undue hardship on the Company. The Company will not pay for the cost of enrolling in such a program or pay the Employee's wages while participating in the program. The Company will make a reasonable effort to safeguard the privacy of Employees who reveal a literacy problem.

KNOWLEDGE, SKILLS AND ABILITIES

To perform successfully, an individual must be able to perform each essential function of their job satisfactorily as outlined in their job description. Generally, the requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions of their job.

Language Skills: Ability to read, analyze, and interpret business periodicals, professional journals, and government regulations. Ability to write reports, business reports, business correspondence, and procedure manuals; ability to effectively respond and present information to common inquiries or complaints from Patients, Clients, Employees, Management, regulatory agencies, or members of the business community.

Mathematical Skills and Reasoning Ability: Ability to work with and apply mathematical concepts such as fractions, percentages, ratios, and proportions to practical situations. Ability to define problems, collect data, establish facts, and draw valid conclusions.

Work Environment: Constant demand on time, ability to deal with multiple deadlines and large work volume. Occasional stress dealing with demands of Clients, Patients, Employees, et cetera.

Physical Requirements:

§ Ability to regularly sit, stand, walk, stoop, kneel, crouch, crawl, climb or balance.

- Ability to move about the office, into the community and on business-related errands.
- Ability to enter data (computer).
- Ability to reach with hands and arms and use hands for simple and firm grasping, as well as fine manipulating, and the ability to reach and handle equipment, records and reports.
- Near and distant visual acuity to read monitors, interpret written documentation, maintain accurate records, and provide customer service.
- Speaking and hearing skills to converse by telephone, in writing, and in person in an appropriate fashion to ensure Clients, Patients and Employees are properly addressed.

HANDBOOK ACCEPTANCE

I have received my copy of the Company's Employee Handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the Handbook.

I also understand that the policies and information contained herein (while not all-inclusive) are guidelines for my employment at Soluna Health, Inc. and I agree to adhere to its provisions.

I understand and agree that it is my responsibility to remain current (knowledgeable) on Company policies and procedures throughout the course of my employment with the Company.

_____

Employee's Signature Date

_____

Social Security Number Date of Birth

_____

Print Full Name

_____

Print Full Street Address

_____

Print City, State, Zip

_____

Print Home Area Code & Telephone Number

"AT WILL" ACKNOWLEDGEMENT

Pursuant to the Company's "at will" employment Policy, employment with the Company is not for a specified period of time and can be terminated by the Employee or the Company at any time, for any reason, with or without cause, and with or without advance notice. Employment is at the mutual and continuing consent of the Employee and the Company. Accordingly, either the Employee or the Company can terminate the employment relationship "at will."

During the course of employment, this employment "at-will" Policy shall not be modified by any statements contained in this or any other document such as Employment Applications, Employee Handbooks, Company Memorandums or any other materials provided to Employees from time to time in connection with their employment. None of these documents, whether singly or combined, shall create an express or implied contract requiring just cause to terminate employment.

Nothing contained in this document, Employment Application, Company memorandum, or any other materials provided to Employees in connection with their employment shall require the Company to have cause to terminate Employees, or otherwise restrict the Company's right to terminate Employees at any time or for any reason.

Further, Employees may be demoted or disciplined and the terms of employment may be altered at any time, with or without cause, at the discretion of the Company.

Continuous Service with the Company may earn Employees benefits. However, the length of Continuous Service does not change Employees "at will" employment status.

No person other than the Board of Directors of the Company has authority to enter into any agreement for employment for a specified period of time or to make any agreement contrary to the foregoing, and then, only in a writing signed by the Board of Directors.

My signature certifies that I acknowledge and agree:

- That no agreement contrary to the foregoing has been made with me;
- I have read, understand, and accept the foregoing terms and conditions of employment and 'at will' relationship of my employment;
- I will report to work as scheduled; and
- That while my salary, benefits, job title, job duties and schedule may change from time to time without a written modification of this Agreement, such changes will not affect the validity of this Agreement or the 'at will' relationship of my employment.

My signature also certifies that I understand and agree that the agreement on "at-will" status is the sole and entire agreement between the Company and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes any and all prior agreements, understandings, and representations concerning my employment with the Company.

Employee Signature Date

Social Security Number Date of Birth

HANDBOOK ACCEPTANCE

I have received my copy of the Company's Employee Handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the Handbook.

I also understand that the policies and information contained herein (while not all-inclusive) are guidelines for my employment at Soluna Health, Inc. and I agree to adhere to its provisions.

I understand and agree that it is my responsibility to remain current (knowledgeable) on Company policies and procedures throughout the course of my employment with the Company.

_____

Employee's Signature Date

_____

Social Security Number Date of Birth

_____

Print Full Name

_____

Print Full Street Address

_____

Print City, State, Zip

_____

Print Home Area Code & Telephone Number

"AT WILL" ACKNOWLEDGEMENT

Pursuant to the Company's "at will" employment Policy, employment with the Company is not for a specified period of time and can be terminated by the Employee or the Company at any time, for any reason, with or without cause, and with or without advance notice. Employment is at the mutual and continuing consent of the Employee and the Company. Accordingly, either the Employee or the Company can terminate the employment relationship "at will."

During the course of employment, this employment "at-will" Policy shall not be modified by any statements contained in this or any other document such as Employment Applications, Employee Handbooks, Company Memorandums or any other materials provided to Employees from time to time in connection with their employment. None of these documents, whether singly or combined, shall create an express or implied contract requiring just cause to terminate employment.

Nothing contained in this document, Employment Application, Company memorandum, or any other materials provided to Employees in connection with their employment shall require the Company to have cause to terminate Employees, or otherwise restrict the Company's right to terminate Employees at any time or for any reason.

Further, Employees may be demoted or disciplined and the terms of employment may be altered at any time, with or without cause, at the discretion of the Company.

Continuous Service with the Company may earn Employees benefits. However, the length of Continuous Service does not change Employees "at will" employment status.

No person other than the Board of Directors of the Company has authority to enter into any agreement for employment for a specified period of time or to make any agreement contrary to the foregoing, and then, only in a writing signed by the Board of Directors.

My signature certifies that I acknowledge and agree:

- That no agreement contrary to the foregoing has been made with me;
- I have read, understand, and accept the foregoing terms and conditions of employment and 'at will' relationship of my employment;
- I will report to work as scheduled; and
- That while my salary, benefits, job title, job duties and schedule may change from time to time without a written modification of this Agreement, such changes will not affect the validity of this Agreement or the 'at will' relationship of my employment.

My signature also certifies that I understand and agree that the agreement on "at-will" status is the sole and entire agreement between the Company and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes any and all prior agreements, understandings, and representations concerning my employment with the Company.

Employee Signature Date

Social Security Number Date of Birth