



***TRANSCEND  
MEDICAL***

*Going Beyond The Limits*

**LOBO Home Health Inc**

**Transcend Medical Employee Handbook**

**September 11, 2018**

# TABLE of CONTENTS

Core Policies.....	6
1.0 Welcome.....	6
1.1 A Welcome Policy.....	6
2.0 Introductory Language and Policies.....	7
2.1 About the Company.....	7
2.2 Company Facilities.....	7
2.3 Ethics Code.....	7
2.4 Mission Statement.....	8
2.5 Organization Policy.....	8
3.0 Hiring and Orientation Policies.....	9
3.1 Conflicts of Interest.....	9
3.2 Employment of Relatives and Friends.....	9
3.3 Job Descriptions.....	9
3.4 New Hires and Introductory Periods.....	9
3.5 Posting of Openings.....	10
3.6 Training Program.....	10
3.7 Affirmative Action Policy for Federal Contractors.....	10
3.8 Employment Authorization Verification.....	11
4.0 Wage and Hour Policies.....	12
4.1 Attendance Policy.....	12
4.2 Business Expenses Policy.....	12
4.3 Direct Deposit.....	13
4.4 Introduction to Wage and Hour Policies.....	13
4.5 Job Abandonment.....	13
4.6 Posting of Work Schedules.....	13
4.7 Travel Expenses.....	14
4.8 Use of Employer Credit Cards.....	15
4.9 Pay Transparency Policy for Federal Contractors.....	16
5.0 Performance, Discipline, Layoff, and Termination.....	17
5.1 Exit Interview.....	17
5.2 Outside Employment.....	17
5.3 Pay Raises.....	17
5.4 Performance Improvement.....	17

5.5 Problem Solving Procedures.....	17
5.6 Promotions.....	18
5.7 Standards of Conduct.....	18
5.8 Transfers.....	19
5.9 Workforce Reductions (Layoffs).....	20
6.0 General Policies.....	21
6.1 Authorization for Use of Personal Vehicle.....	21
6.2 Bulletin Boards.....	21
6.3 Computer Security and Copying of Software.....	21
6.4 Driving Record.....	22
6.5 Employer Sponsored Social Events.....	22
6.6 Employer-Provided Cell Phone/Mobile Device Policy.....	22
6.7 GPS Monitoring of Employer Vehicles.....	23
6.8 Incentive Programs.....	23
6.9 Mail Use Policy.....	24
6.10 Nonsolicitation/Nondistribution Policy.....	24
6.11 Off-Duty Use of Employer Property or Premises.....	24
6.12 Open Door Policy.....	25
6.13 Personal Appearance.....	25
6.14 Personal Cell Phone/Mobile Device Use.....	25
6.15 Personal Data Changes.....	26
6.16 Security.....	27
6.17 Social Media Policy.....	27
6.18 Telecommuting.....	29
6.19 Telephone Use.....	29
6.20 Third Party Disclosures.....	29
6.21 Use of Employer Vehicles.....	30
6.22 Workplace Privacy and Right to Inspect.....	30
7.0 Benefits.....	31
7.1 401(k) Plan.....	31
7.2 Bereavement Leave.....	31
7.3 Exempt Personnel.....	31
7.4 Holidays.....	31
7.5 Leaves of Absence.....	31
7.6 Regular Full-Time Personnel.....	32
7.7 Regular Part-Time Personnel.....	32

7.8 Severance Pay.....	32
7.9 Sick Pay.....	32
7.10 Temporary Personnel.....	32
7.11 Unemployment Compensation Insurance Policy.....	32
7.12 Workers' Compensation Insurance Policy.....	32
7.13 Military Leave (USERRA).....	33
8.0 Safety and Loss Prevention.....	34
8.1 General Safety Policy.....	34
8.2 Policy Against Workplace Violence.....	34
8.3 Drug-Free Workplace.....	35
9.0 Trade Secrets and Inventions.....	37
9.1 Confidentiality and Nondisclosure of Trade Secrets.....	37
10.0 Customer Relations.....	38
10.1 Customer, Client, and Visitor Relations.....	38
10.2 Products and Services Knowledge.....	38
Alabama Policies.....	39
11.0 Welcome.....	39
11.1 At-Will Employment.....	39
12.0 Introductory Language and Policies.....	40
12.1 Revisions to Handbook.....	40
13.0 Hiring and Orientation Policies.....	41
13.1 Disability Accommodation.....	41
13.2 EEO Statement and Nonharassment Policy.....	41
13.3 Religious Accommodation.....	44
14.0 Wage and Hour Policies.....	45
14.1 Accommodations for Nursing Mothers.....	45
14.2 Meal and Rest Periods Policy.....	45
14.3 Overtime.....	45
14.4 Pay Period.....	46
14.5 Paycheck Deductions.....	46
14.6 Recording Time.....	46
14.7 Travel Time Pay.....	47
15.0 Performance, Discipline, Layoff, and Termination.....	49
15.1 Criminal Activity/Arrests.....	49
15.2 Disciplinary Process.....	49
15.3 Post-Employment Reference Policy.....	49

16.0 General Policies.....	51
16.1 Payroll Advances and Loans.....	51
16.2 Personnel and Medical Records.....	51
16.3 Voicemail, Email, and Internet Policy.....	51
17.0 Benefits.....	53
17.1 Jury Duty Leave.....	53
17.2 Paid Time Off (PTO) Policy.....	53
17.3 Vacation Policy.....	54
17.4 Voting Leave.....	55
18.0 Safety and Loss Prevention.....	56
18.1 Drug and Alcohol Policy.....	56
18.2 Nonsmoking Policy.....	56
19.0 Trade Secrets and Inventions.....	57
19.1 Inventions.....	57
Closing Statement.....	58
Acknowledgement of Receipt and Review.....	59

# Core Policies

## 1.0 Welcome

### 1.1 *A Welcome Policy*

Welcome! You have just joined a dedicated organization. We hope that your employment with Transcend Medical will be rewarding and challenging. We take pride in our Team Members as well as in the products and services we provide.

Transcend Medical complies with all federal and state employment laws, and this handbook generally reflects those laws. The company also complies with any applicable local laws, although there may not be an express written policy regarding those laws contained in the handbook.

The employment policies and/or benefits summaries in this handbook are written for all team members. When questions arise concerning the interpretation of these policies as they relate to team members who are covered by a collective-bargaining agreement, the answers will be determined by reference to the actual union contract, rather than the summaries contained in this handbook.

Please take the time now to read this handbook carefully. Sign the acknowledgment at the end to show that you have read, understood, and agree to the contents of this handbook, which sets out the basic rules and guidelines concerning your employment. This handbook supersedes any previously issued handbooks or policy statements dealing with the subjects discussed herein. The Company reserves the right to interpret, modify, or supplement the provisions of this handbook at any time. Neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. Please understand that no employee handbook can address every situation in the work place.

If you have questions about your employment or any provisions in this handbook, contact Randy Hunter.

We wish you success in your employment here at LOBO Home Health Inc!

All the best,

Randy Hunter, Randy Hunter LOBO Home Health Inc

## **2.0 Introductory Language and Policies**

### **2.1 About the Company**

We are a fast growing, fast pace home medical equipment provider. We treat our customers/patients like family. We use the golden rule treat others the way you would want to be treated. Our name Transcend means to rise above or go beyond the limits and we strive to do that daily to meet the needs of our customers. We cover Cherokee, Dekalb, Etowah, Jackson and Marshall counties in Northeast Alabama. We provide a wide range of products from home oxygen, hospital beds, power wheelchairs, home ventilators, braces, lift chairs and much more.

### **2.2 Company Facilities**

We have two locations: The main campus is located at 133 Woods Cove Road, Scottsboro, AL 35768 and our other location is at 2001 Henry Street in Guntersville, AL 35976.

Our toll free number is 800-403-3740. Local numbers for Scottsboro is 256-259-3123 and fax number is 256-259-1498. The Guntersville location number is 256-582-1982 and the fax number is 256-571-9158.

### **2.3 Ethics Code**

Transcend Medical will conduct business honestly and ethically wherever operations are maintained. We strive to improve the quality of our services, products, and operations and will maintain a reputation for honesty, fairness, respect, responsibility, integrity, trust, and sound business judgment. Our managers and team members are expected to adhere to high standards of business and personal integrity as a representation of our business practices.

We expect that officers, directors, and team members will not knowingly misrepresent the company and will not speak on behalf of the company unless specifically authorized. The confidentiality of trade secrets, proprietary information, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) about the company or operations, or that of our customers or partners, is to be treated with discretion and only disseminated on a need-to-know basis (see policies relating to privacy).

Violation of the Code of Ethics can result in discipline, up to and including termination of employment. The degree of discipline imposed may be influenced by the existence of voluntary disclosure of any ethical violation and whether or not the violator cooperated in any subsequent investigation.

## **2.4 Mission Statement**

Our goal is to Transcend the normal home medical equipment experience. We will achieve this by providing excellent products and services by our caring, compassionate, competent staff who are dedicated in improving the patients quality of life.

## **2.5 Organization Policy**

Our Organizational chart will be on display with our business license.



## **3.0 Hiring and Orientation Policies**

### **3.1 *Conflicts of Interest***

Transcend Medical is concerned with conflicts of interest that create actual or potential job-related concerns, especially in the areas of confidentiality, customer relations, safety, security, and morale. If there is any actual or potential conflict of interest between you and a competitor, supplier, distributor, or contractor to the company, you must disclose it to your manager. If an actual or potential conflict of interest is determined to exist, the company will take such steps as it deems necessary to reduce or eliminate this conflict.

### **3.2 *Employment of Relatives and Friends***

We will not employ friends or relatives in circumstances where actual or potential conflicts may arise that could compromise supervision, safety, confidentiality, security, and morale at Transcend Medical. It is your obligation to inform the company of any such potential conflict so the company can determine how best to respond to the particular situation.

### **3.3 *Job Descriptions***

Transcend Medical attempts to maintain a job description for each position. If you do not have a current copy of your job description, you should request one from your manager.

Job descriptions prepared by the company serve as an outline only. Due to business needs, you may be required to perform job duties that are not within your written job description. Furthermore, the company may have to revise, add to, or delete from your job duties per business needs. On occasion, the company may need to revise job descriptions with or without advance notice to team member.

If you have any questions regarding your job description or the scope of your duties, please speak with your manager.

### **3.4 *New Hires and Introductory Periods***

The first 90 days of your employment is considered an introductory period. During this period, you will become familiar with Transcend Medical and your job responsibilities, and we will have the opportunity to monitor the quality and value of your performance and make any necessary adjustments in your job description or responsibilities. Your introductory period with the company can be shortened or lengthened as deemed appropriate by management and Human Resources. Completion of this introductory period does not imply guaranteed or continued employment. Nothing that occurs during or after this period should be construed to change the nature of the "at-will" employment relationship.

### **3.5 Posting of Openings**

Transcend Medical desires to promote qualified team members from within where it believes that is possible, consistent with the need to assure that all positions are staffed by highly competent individuals. New job openings generally will be posted on the bulletin board, as well as on our Internet site.

### **3.6 Training Program**

In most cases, and for most departments, training team members is done on an individual basis by the department manager. Even if you have had previous experience in the specified functions of your job duties, it is necessary for you to learn our specific procedures, as well as the responsibilities of the specific position. If you ever feel you require additional training, consult your manager.

### **3.7 Affirmative Action Policy for Federal Contractors**

As a federal contractor, it is the policy of Transcend Medical to take affirmative action as called for by applicable laws and executive orders to:

- Provide equal employment opportunities to all qualified persons and recruit, hire, train, terminate, promote, and compensate persons in all jobs without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, genetic information or characteristics, protected veteran status, or other protected classifications in accordance with federal law.
- Administer personnel actions in areas such as compensation, benefits, transfers, layoffs and recalls, Company-sponsored education training, tuition assistance, and social and recreational programs to ensure that no team members are discriminated against.
- Ensure employment decisions are made in furtherance of the objective of equal employment including, but not limited to:
  - o **Recruitment and selection** – Recruitment and hiring of all personnel is accomplished without discrimination against any individual whose status is protected by applicable state or local law.
  - o **Promotion** – Individuals will be upgraded and promoted on the basis of their abilities, skills, and experience. The Company will undertake good faith efforts to ensure that minority and women team members, disabled individuals, and covered veterans, who are qualified, as well as those who become qualified through training, are considered for promotion.
  - o **Transfers** – When vacancies occur, the Company will make every good faith effort to effect transfers of qualified minority and women team members, disabled individuals, and covered veterans, into areas where such team members may have been or may now be underutilized.
  - o **Terminations** – When reductions in Company work force occur, they will be based on nondiscriminatory factors and make every

good faith effort to ensure that minorities and women, disabled individuals, and covered veterans are treated in a nondiscriminatory manner.

Applicants and team members will not be subjected to harassment, intimidation, or any type of retaliation because they have:

- Filed a complaint;
- Assisted or participated in an investigation, compliance review, or any other activity related to the administration of any federal, state, or local law requiring equal employment opportunity;
- Opposed any act or practice made unlawful by any federal, state, or local law requiring equal opportunity; or
- Exercised any other legal right protected by federal, state, or local law requiring equal opportunity.

### **3.8 *Employment Authorization Verification***

New hires will be required to complete Section 1 of federal Form I-9 on the first day of paid employment and must present acceptable documents authorized by the U.S. Citizenship and Immigration Services proving identity and employment authorization no later than the third business day following the start of employment with Transcend Medical. If you are currently employed and have not complied with this requirement or if your status has changed, inform your manager.

If you are authorized to work in this country for a limited period of time, you will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by the company.

## **4.0 Wage and Hour Policies**

### **4.1 Attendance Policy**

If you know ahead of time that you will be absent or late, provide reasonable advance notice to your manager. You may be required to provide documentation of any medical or other excuse for being absent or late where permitted by applicable law.

Transcend Medical reserves the right to apply unused vacation, sick time, or other paid time off to unauthorized absences. Absences resulting from approved leave, vacation, or legal requirements are exceptions to the policy.

### **4.2 Business Expenses Policy**

The purpose of this policy is to define approved non travel business expenses and the authority for incurring and approving such expenses at company.

Approved business expenses are the reasonable and necessary expenses incurred by team member to achieve legitimate business purposes that are not covered by normal company procurement processes.

#### **Business Meetings (Employer-Sponsored Events and Meetings)**

The Company pays for expenses necessary to achieve a valid business purpose when meetings are held with customers, vendors, or other Company team members. The most senior Company individual present is to pay for and report all expenses.

The Company will make every effort to have a master account set up for Company-wide and large group events. However, if you are at a small meeting or staying by yourself at a hotel, pay individually and submit for reimbursement accordingly.

#### **Entertainment**

The Company pays for entertainment expenses only when they clearly benefit the Company and include customers and are promotional in nature. The most senior individual present is to pay for and report all expenses.

#### **Technical and Training Seminars**

The Company pays for expenses associated with attendance at classes and seminars that enhance job-related skills. Prior approval must be obtained by your Managers.

#### **Gifts**

You may present gifts only under exceptional circumstances and with prior approval of the appropriate Company officer. The Company does not reimburse cost over \$25 for business gifts.

### **Other Expenses**

The Company will pay for postage and telephone expenses that are for business purposes.

### **Reporting**

Report approved expenses on the standard expense report form and include a description of the expense, its business purpose, date, place, and the participants.

### **4.3 Direct Deposit**

Transcend Medical encourages all team members to enroll in direct deposit. If you would like to take advantage of direct deposit, ask [Randy Hunter](#) for an application form. Typically, the bank will begin the direct deposit of your payroll within 30 calendar days after you submit your completed application.

If you have selected the direct deposit payroll service, a written explanation of your deductions will be given to you on paydays described in the preceding sections in lieu of a check.

### **4.4 Introduction to Wage and Hour Policies**

At Transcend Medical, pay depends on a wide range of factors, including pay scale surveys, individual effort, profits, and market forces. If you have any questions about your compensation, including matters such as paid time off, commissions, overtime, benefits, or paycheck deductions, speak with your manager.

### **4.5 Job Abandonment**

If you fail to show up for work or call in with an acceptable reason for the absence for a period of three consecutive days, you will be considered to have abandoned your job and voluntarily resigned from Transcend Medical.

### **4.6 Posting of Work Schedules**

Work schedule is established when hired. If any changes are necessary the team member will receive instructions from their manager. No overtime is allowed unless approved by management.

## **4.7 Travel Expenses**

The purpose of this policy is to define approved business travel expenses and the authority for incurring and approving such expenses at Transcend Medical.

Travel expenses are the reasonable and necessary expenses incurred by team member when traveling on approved company business trips. Travel is limited to business activities for which other means of communication is inadequate and for which prior approval from your manager has been received.

### **Advances**

The company does not generally provide cash travel advances. Normally, you will be expected to use personal credit cards and/or your own cash and submit approved expenses on the standard Expense Report Form.

### **Travel Expenses**

The company pays the actual amounts incurred for appropriate expenses when you are on travel assignments. Examples of typical expenses include the following:

- Airline tickets.
- Meals and lodging.
- Car rental, bus, taxi, parking.
- Telephone and fax.
- Laundry and dry cleaning (trips exceeding one week only, unless emergency).
- Business supplies and services.
- Associated gratuities.
- Other expenses necessary to achieve the business purposes.

### **Family Members**

The Company will pay the travel expenses of spouses or other family members only when their presence is necessary to the business purpose of the trip and when approved in advance in writing by the [[President or Chief Executive Officer]].

### **Air Travel**

Use economy or tourist class airfares when traveling on Company business. In addition, private, noncommercial aircraft or chartered aircraft is not to be used, and no more than two Company officers should travel together on the same flight.

Airfares are to be charged to personal credit cards and subsequently submitted for reimbursement on a monthly expense report.

### **Hotels**

Neither in-room movies nor refreshment bars are approved Company expenses.

### **Insurance**

The Company does not pay for personal travel insurance for employees.

### **Rental Cars**

You are to use rental firms having existing relationships with the Company and, where feasible, have negotiated discount rates. Available reasonable transportation is to be used.

### **Personal Vehicles**

When using your own vehicle for business purposes, you must maintain insurance coverage as required by law and may not have more than [[2 points]] on your driving record. Travel between your home and primary office is not considered to be business travel. You may not use your personal vehicle for business travel without authorization. Every attempt should be made to utilize the use of courier and delivery services in order to avoid hazard of liability and the time away from work. You will be reimbursed for vehicle use at the standard IRS mileage rate. The [[President or Chief Executive Officer]] must authorize any deviation from this policy.

### **Reporting**

Report approved expenses and include a description of the expense, its business purpose, date, place, and the participants.

### **Travel Reservations**

Airline travel, rental cars, and hotels must be booked through the corporate designated travel agency in order to be reimbursed.

#### ***4.8 Use of Employer Credit Cards***

All team member in the possession of a credit card issued by company will adhere to the strictest guidelines of responsibility for the protection and proper use of that card. Credit card purchases related to company vehicle use (gas, oil, etc.) under \$100 do not require prior approval. Credit card purchases for vehicle use over \$100 and any other business purchases over \$25 must receive prior approval from your manager.

Submit all sales receipts generated by use of the company credit card monthly to your manager. Your company credit card may not be used for personal reasons. Use of the company credit card is restricted to approved business related expenses.

Any unauthorized purchases made with a credit card issued by the company will be the cardholder's responsibility. You must reimburse any such purchase

to the company within 30 days.

Immediately report lost or stolen company cards to your manager. Failure to follow this policy may result in disciplinary action up to and including discharge.

#### **4.9 Pay Transparency Policy for Federal Contractors**

The contractor (company) can discharge because they have inquired about, discussed, or disclosed their own pay or the pay of another team member or applicant. However, team member who have access to the compensation information of other team or applicants as a part of their essential job functions cannot disclose the pay of other team members or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is (a) in response to a formal complaint or charge, (b) in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or (c) consistent with the contractor's legal duty to furnish information. 41 CFR 60-1.35(c)



## **5.0 Performance, Discipline, Layoff, and Termination**

### **5.1 Exit Interview**

You may be asked to participate in an exit interview when you leave Transcend Medical. The purpose of the exit interview is to provide management with greater insight into your decision to leave employment; identify any trends requiring attention or opportunities for improvement; and to assist the company in developing effective recruitment and retention strategies. Your cooperation in the exit interview process is appreciated.

### **5.2 Outside Employment**

Outside employment that creates a conflict of interest or that affects the quality or value of your work performance or availability at Transcend Medical is prohibited. The company recognizes that you may seek additional employment during off hours, but in all cases expects that any outside employment will not affect job performance, work hours, or scheduling, or otherwise adversely affect your ability to effectively perform your duties. Any conflicts should be reported to your manager. Failure to adhere to this policy may result in discipline up to and including termination.

### **5.3 Pay Raises**

Depending on financial health and other company factors, efforts will be made to give pay raises consistent with Transcend Medical profitability, job performance, and the consumer price index. The company may also make individual pay raises based on merit or due to a change of job position.

### **5.4 Performance Improvement**

Transcend Medical will make efforts to periodically review your work performance. The performance improvement process will take place annually, or as business needs dictate. You may specifically request that your manager assist you in developing a performance improvement plan at any time.

The performance improvement process is a means for increasing the quality and value of your work performance. Your initiative, effort, attitude, job knowledge, and other factors will be addressed. You must understand that a positive job performance review does not guarantee a pay raise or continued employment. Pay raises and promotions are based on numerous factors, only one of which is job performance.

### **5.5 Problem Solving Procedures**

Transcend Medical strives to provide a comfortable, productive, legal, and ethical work environment. To this end, we want you to bring any problems, concerns, or grievances you have about the work place to the attention of your

manager and, if necessary, to Human Resources or upper level management. To help manage conflict resolution we have instituted the following problem solving procedure:

If you believe there is inappropriate conduct or activity on the part of the company, management, its team members, vendors, customers, or any other persons or entities related to the company, bring your concerns to the attention of your manager at a time and place that will allow the person to properly listen to your concern. Most problems can be resolved informally through dialogue between you and your immediate manager. If you have already brought this matter to the attention of your manager before and do not believe you have received a sufficient response, or if you believe that person is the source of the problem, present your concerns to Human Resources or upper level management. Describe the problem, those persons involved in the problem, efforts you have made to resolve the problem, and any suggested solution you may have.

## **5.6 Promotions**

To match you with the job for which you are best suited and to meet the business needs of Transcend Medical, you may be transferred from your current job. It is our policy to promote from within only when the most qualified candidate is available. Promotions are made on an equal opportunity basis according to team members possessing the needed skills, education, experience, and other qualifications that are required for the job.

All team members promoted into new job positions will undergo a 90-day introductory period as described in the New Hires and Introductory Periods policy. Unlike new hires, however, such employees will continue to receive company benefits for which they are eligible.

## **5.7 Standards of Conduct**

Transcend Medical wishes to create a work environment that promotes job satisfaction, respect, responsibility, integrity, and value for all our team members, clients, customers, and other stakeholders. We all share in the responsibility of improving the quality of our work environment. By deciding to work here, you agree to follow our rules.

While it is impossible to list everything that could be considered misconduct in the workplace, what is outlined here is a list of common-sense infractions that could result in discipline, up to and including immediate termination of employment. This policy is not intended to limit our right to discipline or discharge team members for any reason permitted by law.

Examples of inappropriate conduct include:

- Violation of the policies and procedures set forth in this handbook.
- Possessing, using, distributing, selling, or negotiating the sale of illegal drugs or other controlled substances.

- Being under the influence of alcohol during working hours on Company property (including in Company vehicles), or on Company business.
- Inaccurate reporting of the hours worked by you or any other team members.
- Providing knowingly inaccurate, incomplete, or misleading information when speaking on behalf of the Company or in the preparation of any employment-related documents including, but not limited to, job applications, personnel files, employment review documents, intra-company communications, or expense records.
- Taking or destroying Company property.
- Possession of potentially hazardous or dangerous property (where not permitted) such as firearms, weapons, chemicals, etc., without prior authorization.
- Fighting with, or harassment of (as defined in our EEO policy), any fellow employee, vendor, or customer.
- Disclosure of Company trade secrets and proprietary and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development information, customer lists, patents, trademarks, etc.) of the Company or its customers, contractors, suppliers, or vendors.
- Refusal or failure to follow directions or to perform a requested or required job task.
- Refusal or failure to follow safety rules and procedures.
- Excessive tardiness or absences.
- Smoking in nondesignated areas.
- Working unauthorized overtime.
- Solicitation of fellow employees on Company premises during working.
- Failure to dress according to Company policy.
- Use of obscene or harassing (as defined by our EEO policy) language in the workplace.
- Engaging in outside employment that interferes with your ability to perform your job at this Company.
- Gambling on Company premises.
- Lending keys or keycards to Company property to unauthorized persons.

Nothing in this policy is intended to limit your rights under the National Labor Relations Act, or to modify the at-will employment status where at-will is not prohibited by state law.

## **5.8 Transfers**

Transcend Medical may transfer your employment from one position to another with or without notice, as required by production or service needs, or upon request by you and with management approval. Transfers in excess of 90 days may be considered final and your paycheck may be increased or decreased consistent with the pay scale for your new position.

## **5.9 Workforce Reductions (Layoffs)**

If necessary based upon business needs, Transcend Medical management may decide to implement a reduction in force (RIF). We acknowledge that RIFs can be a trying experience for all involved, and the company will make its best effort to make sound business decisions while acknowledging the needs of its workforce.

## **6.0 General Policies**

### **6.1 Authorization for Use of Personal Vehicle**

All team members required to operate a motor vehicle as part of their employment duties must maintain a valid driver's license, acceptable driving record, and appropriate insurance coverage. Transcend Medical may run a motor vehicle department check to determine your driving record. It is your responsibility to provide a copy of your current driver's license and insurance coverage for your personnel file. Any changes in your driving record, including, but not limited to, driving infractions or changes to your insurance policy, must be reported to the company.

If you use your personal vehicle in the course and scope of employment, you may not operate such vehicle while:

1. Under the influence of drugs, alcohol, or any other substance that might impair your judgment or ability to drive; or
2. Texting, emailing, or otherwise using a cell phone or other handheld device without utilizing a hands-free device.

### **6.2 Bulletin Boards**

Transcend Medical maintains an official bulletin board located at each location break area for providing team members with official company notices, including wage and hour laws, changes in policies, and other employment-related notices. At times the company may also post information of general interest to team members on the bulletin board. You are responsible for being informed about this material by periodically reviewing the bulletin board. Only authorized personnel may add and remove notices from the bulletin board.

### **6.3 Computer Security and Copying of Software**

Software programs purchased and provided by Transcend Medical are to be used only for creating, researching, and processing materials for company use. By using company hardware, software, and networking systems you assume personal responsibility for their use and agree to comply with this policy and other applicable company policies, as well as city, state, and federal laws and regulations.

All software acquired for or on behalf of the company, or developed by company team member or contract personnel on behalf of the company, is and will be deemed company property. It is the policy of the company to respect all computer software rights and to adhere to the terms of all software licenses to which the company is a party. The management team is responsible for enforcing these guidelines.

You may not illegally duplicate any licensed software or related documentation.

Unauthorized duplication of software may subject you and/or the company to both civil and criminal penalties under the United States Copyright Act. To purchase software, obtain your manager's approval. All software acquired by the company must be purchased through management team.

You may not duplicate, copy, or give software to any outsiders including clients, contractors, customers, and others. You may use software on local area networks or on multiple machines only in accordance with applicable license agreements entered into by the company.

#### **6.4 *Driving Record***

All team member required to operate a motor vehicle as part of their employment duties at Transcend Medical must maintain a valid driver's license and acceptable driving record. The company may run a motor vehicle department check to determine your driving record. It is your responsibility to provide a copy of your current driver's license for your personnel file. Any changes in your driving record, including but not limited to driving infractions, must be reported to the company.

State law requires all motorists to carry auto liability insurance. It is against the law to drive without insurance. If you use your own vehicle as a part of your employment duties, you must provide management with a current proof of insurance statement or card. New proof of insurance is required every time your policy expires and renews.

#### **6.5 *Employer Sponsored Social Events***

Transcend Medical holds periodic social events for team members. Be advised that your attendance at these events is voluntary and does not constitute part of your work-related duties. Any exceptions to this policy must be in writing and signed by a manager prior to the event.

Alcoholic beverages may be available at these events. If you choose to drink alcoholic beverages, you must do so in a responsible manner. Do not drink and drive. Instead, please call a taxi or appoint a designated driver.

#### **6.6 *Employer-Provided Cell Phone/Mobile Device Policy***

The purpose of this policy is to provide guidance to departments and team members regarding eligibility for company-provided cell phones and plans, and the appropriate use of the phone and plan.

You must have a legitimate business need for a cell phone/mobile device and the issuance of same must be approved by your manager. The typical legitimate reasons team members may need a cell phone/mobile device include frequent business travel or for key personnel who must be immediately reachable during an emergency.

When the cell phone/mobile device is used for personal reasons and the activity results in additional cost to the company, you are responsible for the cost of that usage, including all applicable taxes. Make note of personal calls and reimburse the company after review of the monthly call detail.

If the cell phone/mobile device has a flat rate airtime/data plan, you are responsible for reimbursing the company when personal activities cause the plan threshold to be exceeded. With concurrence of an authorized signer on the account, you should determine the amount of personal use that caused the usage to exceed the plan and reimburse the company for that amount plus all applicable taxes. If you drive a vehicle during your employment, you may not use any cell phone/mobile device or other communication device while driving unless the device is equipped or configured with a "hands-free" listening/speaking option, and you in fact utilize the hands-free device. This option must be approved by your manager.

The company owns and remains entitled to all cell phone/mobile devices, including all passwords controlling access to them. You may not change those passwords except with permission. At the time of employment termination, all such equipment and passwords must be returned to the company in operable condition.

### **6.7 GPS Monitoring of Employer Vehicles**

Transcend Medical desires to strike the appropriate balance between today's technologies, your desire for privacy, and our interests in protecting company vehicles, equipment, and drivers. Due to safety, efficiency, and other business purposes, the company uses GPS technology to monitor the whereabouts of our vehicles at all times.

Questions concerning vehicle monitoring should be directed to management. Questions concerning the proper use of any vehicles should be directed to your manager.

Any team member who abuses the privilege of driving company vehicles will be subject to corrective action, up to and including termination of employment. If necessary, the company will also advise law enforcement officials of any illegal conduct.

### **6.8 Incentive Programs**

Transcend Medical likes to honor above and beyond performance from its team members. Throughout the year it offers contest and incentives for achieving established goals. Team members also can earn commission on sale of key retail products.

## **6.9 Mail Use Policy**

You are required to limit usage of the company mail service to business purposes only. You may not use the company address to receive personal mail. Do not use the company postage meter for your personal mail. Report any suspicious packages or envelopes to management immediately.

## **6.10 Nonsolicitation/Nondistribution Policy**

To avoid disruption of business operations or disturbance of team members, visitors, and others, company has implemented a Nonsolicitation/Nondistribution Policy. For purposes of this policy, "solicitation" includes, but is not limited to, selling items or services, requesting contributions, and soliciting or seeking to obtain membership in or support for any organization. Solicitation performed through verbal, written, or electronic means is covered by the Nonsolicitation/Nondistribution Policy.

You are prohibited from soliciting other team members during your assigned working time. For this purpose, working time means time during which either you or the team members who are the object of the solicitation are expected to be actively engaged with assigned work. You may conduct solicitations during your lunch period, coffee breaks, or other authorized nonworking time, so long as you do so when the other team members are also on nonworking time.

To avoid inappropriate litter, clutter, and safety risks, you may not distribute literature or other items that are not work related in working areas at any time. Working areas do not include break/rest areas, lunch rooms, or parking lots. Electronic distribution of materials is prohibited during work time. Literature that violates the company's equal employment opportunity (EEO) and nonharassment policies (including threats of violence), or is knowingly and recklessly false, is never permitted. Non-employees are not permitted to distribute materials on company premises at any time.

This policy is not intended to restrict the statutory rights of team members, including the right to discuss terms and conditions of employment.

Violations of this policy should be reported to Managers.

## **6.11 Off-Duty Use of Employer Property or Premises**

You may not use Transcend Medical property for personal use during working time. You are responsible for returning company property in good condition and repairing or replacing any property damaged as the result of personal use or as the result of negligence. This includes use of copy machines, computers, company products, or office supplies for personal use without prior authorization.

It is company policy to control off duty and nonworking hour use of company facilities either for business or personal reasons. You are prohibited from using company facilities during off duty or nonworking hours without the written



consent of your manager. If you use company facilities during your off-duty hours or company off-hours, you may be required to sign a log-in and log-out sheet maintained by the company or building manager.

### **6.12 *Open Door Policy***

At Transcend Medical, we welcome suggestions for continued improvement and welcome your ideas for better ways to do your job, produce or sell the products or services of our company, or meet customer and client needs. Discuss your ideas with your manager or another member of the management team.

We also encourage you to offer any suggestions derived from seminars, magazines, or other outside sources of information you believe would add value to the company.

Understand that any suggestions, innovations, inventions, or other matter created by you on work time or with company tools or property are considered to be the property of the company.

### **6.13 *Personal Appearance***

Your personal appearance reflects on the reputation, integrity, and public image of Transcend Medical. All team members are required to report to work neatly groomed and dressed. You are expected to maintain personal hygiene habits that are generally accepted in the community, including clean clothing, good grooming and personal hygiene, and appropriate attire for the workplace and the work being performed. This may include wearing uniforms or protective safety clothing and equipment, depending upon the job. Use common sense and good judgment in determining what to wear to work.

Fragrant products, including but not limited to perfumes, colognes, and scented body lotions or hair products, should be used in moderation out of concern for others with sensitivities or allergies.

The Company will make every effort to reasonably accommodate team members with disabilities or with religious beliefs that make it difficult for them to comply fully with the personal appearance policy. Contact your Managers to request a reasonable accommodation.

Failure to comply with the personal appearance standards may result in being sent home to groom or change clothes. Frequent violations may result in disciplinary action, up to and including termination of employment.

### **6.14 *Personal Cell Phone/Mobile Device Use***

While Transcend Medical permits team members to bring personal cell phones and other mobile devices (i.e. smart phones, PDAs, tablets, laptops) into the workplace, you must not allow the use of such devices to interfere with your job duties or impact workplace safety and health.

Use of personal cell phones and mobile devices at work can be distracting and disruptive and cause a loss of productivity. Thus, you should primarily use such personal devices during nonworking time, such as breaks and meal periods. During this time, use devices in a manner that is courteous to those around you. Outside of nonworking time, use of such devices should be minimal and limited to emergency use only. If you have a device that has a camera and/or audio/video recording capability, you are restricted from using those functions on company property unless authorized in advance by management or when they are used in a manner consistent with your right to engage in concerted activity under section 7 of the National Labor Relations Act (NLRA).

You are expected to comply with Company policies regarding the protection of confidential and proprietary information when using personal devices.

While operating a vehicle on work time, the Company requires that the driver's personal cell phone/mobile device be turned off. If you need to make or receive a phone call while driving, pull off the road to a safe location unless you have the correct hands-free equipment for the device that is in compliance with applicable state laws.

You *[[may/may not]]* connect your personal device to the Company network or to Company equipment (computers, printers, etc.). *[[If permitted, describe allowable use and any restrictions.]]*

You may have the opportunity to use your personal devices for work purposes. Before using a personal device for work-related purposes, you must obtain written authorization from *[[IT, management, human resources, etc.]]*. The use of personal devices is limited to certain team members and may be limited based on compatibility of technology. To ensure the security of Company information, *[[Set forth security policies related to specific devices, for example, any software requirements (antivirus, firewall, VPN, etc.). Include details on how information will be removed from a device upon termination of employment]]*. If you are authorized to use a personal device, you will receive a monthly stipend based on the estimated use of the device. If you obtain or currently have a plan that exceeds the monthly stipend, the Company will not be liable for the cost difference.

Nothing in this policy is intended to prevent team members from engaging in protected concerted activity under the NLRA.

You will be subject to disciplinary action up to and including termination of employment for violation of this policy.

### **6.15 Personal Data Changes**

It is your obligation to provide company with your current contact information, including current mailing address and telephone number. Inform the company of any changes to your marital or tax withholding status. Failure to do so may

result in loss of benefits or delayed receipt of W-2 and other mailings. To make changes to this information, contact Randy Hunter.

### **6.16 Security**

All team members are responsible for helping to make company a secure work environment. Upon leaving work, lock all desks, lockers, and doors protecting valuable or sensitive material in your work area and report any lost or stolen keys, passes, or similar devices to your manager immediately. Refrain from discussing specifics regarding company security systems, alarms, passwords, etc. with those outside of the company.

Immediately advise your manager of any known or potential security risks and/or suspicious conduct of team members, customers, or guests of the company. Safety and security is the responsibility of all team members and we rely on you to help us keep our premises secure.

### **6.17 Social Media Policy**

At Transcend Medical, we recognize the Internet provides unique opportunities to participate in interactive discussions and share information using a wide variety of social media. However, use of social media also presents certain risks and carries with it certain responsibilities. To minimize risks to the company, you are expected to follow our guidelines for appropriate use of social media.

This policy applies to all team members who work for the company.

#### **Guidelines**

For purposes of this policy, **social media** includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or a chat room, whether associated or affiliated with the company, as well as any other form of electronic communication.

Company principles, guidelines, and policies apply to online activities just as they apply to other areas of work. Ultimately, you are solely responsible for what you communicate in social media. You may be personally responsible for any litigation that may arise should you make unlawful defamatory, slanderous, or libelous statements against any customer, manager, owner, or team members of the Company.

#### **Know and Follow the Rules**

Ensure your postings are consistent with these guidelines. Postings that include unlawful discriminatory remarks, harassment, and threats of violence or other unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

## **Be Respectful**

The Company cannot force or mandate respectful and courteous activity by team members on social media during nonworking time. If you decide to post complaints or criticism, avoid using statements, photographs, video, or audio that reasonably could be viewed as unlawful, slanderous, threatening, or that might constitute unlawful harassment. Examples of such conduct might include defamatory or slanderous posts meant to harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, age, national origin, religion, veteran status, or any other status or class protected by law or Company policy. Your personal posts and social media activity should not reflect upon or refer to the Company.

## **Maintain Accuracy and Confidentiality**

When posting information:

- Maintain the confidentiality of trade secrets, intellectual property, and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the Company.
- Do not create a link from your personal blog, website, or other social networking site to a Company website that identifies you as speaking on behalf of the Company.
- Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, do not represent yourself as speaking on behalf of the Company. Make it clear in your social media activity that you are speaking on your own behalf.
- Respect copyright, trademark, third-party rights, and similar laws and use such protected information in compliance with applicable legal standards.

## **Using Social Media at Work**

Do not use social media while on your work time, unless it is work related as authorized by your manager or consistent with policies that cover equipment owned by the Company.

## **Media Contacts**

If you are not authorized to speak on behalf of the Company, do not speak to the media on behalf of the Company. Direct all media inquiries for official Company responses to Human Resources.

## **Retaliation and Your Rights**

Retaliation or any other negative action is prohibited against anyone who, based on a reasonable belief, reports a possible deviation from this policy or cooperates in an investigation. Those who retaliate against others for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Nothing in this policy is designed to interfere with, restrain, or prevent team members from communications regarding wages, hours, or other terms and conditions of employment, or to restrain team members in exercising any other right protected by law. All team members have the right to engage in or refrain from such activities.

### **6.18 Telecommuting**

Telecommuting is defined as regularly working a full or partial workday from home or some other alternate work site.

Transcend Medical will make telecommuting available to team member when it benefits organizational and departmental needs. This option may not be available in some job classifications due to business needs. Each department manager will determine, in his or her discretion, the positions within the department that may be suitable for telecommuting.

If you meet eligibility requirements for telecommuting, you must submit a Telecommuting Agreement form to your immediate manager for departmental approval. If you are granted a telecommuting arrangement, you will be subject to the same performance standards as prior to telecommuting. Telecommuting work areas may be evaluated to ensure that appropriate safety standards are met. Telecommuting may be a reasonable accommodation; consult with management if you are requesting telecommuting as a reasonable accommodation.

### **6.19 Telephone Use**

Transcend Medical phones are principally for work-related communications. Unless there is an emergency, limit long distance telephone calls to business purposes only. Limit personal use of team members telephones to brief communications during rest periods where possible. Casual conversation with friends and relatives during working hours is strongly discouraged. Telephone use is subject to the Voicemail/Email/Internet Usage Policy.

### **6.20 Third Party Disclosures**

From time to time, Transcend Medical may become involved in news stories or potential or actual legal proceedings of various kinds. When that happens, lawyers, former team members, newspapers, law enforcement agencies, and other outside persons may contact our team members to obtain information about the incident or the actual or potential lawsuit.

If you receive such a contact, you should not speak on behalf of the company and should refer any call requesting the position of the company to Josh Miller. If you have any questions about this policy or are not certain what to do when such a contact is made, contact Josh Miller.

## **6.21 Use of Employer Vehicles**

Company vehicles are to be used for Transcend Medical business only. Unless the use of the vehicle has been approved for personal use, personal or outside business use is strictly prohibited.

If you drive a company vehicle, all infractions or violations while driving the vehicle and all restrictions, suspensions, or revocations against your driver's license must be immediately reported to your manager.

When a company vehicle cannot be operated, is unsafe for use, or has been damaged, notify your manager immediately.

As the driver of a company vehicle, you are responsible for the vehicle while in your charge and must not permit unauthorized persons to drive it. You are also responsible for the daily housekeeping of the vehicle; it is to remain clean and uncluttered.

You may not operate a motor vehicle while under the influence of alcohol or a chemical substance or other substance that can impair judgment. You may not operate a motor vehicle while texting, emailing, or otherwise using a cell phone or other handheld device without utilizing a hands-free device.

Multiple driving moving violations that appear on the annual state department of motor vehicle check will result in suspension of rights to drive a company vehicle or drive a personal vehicle on company business. Suspension of rights will continue until one year has passed with no infractions. If there are persistent and ongoing problems with driving infractions, and driving a vehicle is a part of successful execution of job responsibilities, you may be terminated.

## **6.22 Workplace Privacy and Right to Inspect**

Transcend Medical property, including but not limited to lockers, phones, computers, tablets, desks, work place areas, vehicles, or machinery, remains under the control of the company and is subject to inspection at any time, without notice to any team members, and without their presence.

You should have no expectation of privacy in any of these areas. We assume no responsibility for the loss of, or damage to, your property maintained on company premises including that kept in lockers and desks.

## **7.0 Benefits**

### **7.1 401(k) Plan**

All regular full-time team member who have completed at least **1 year** of employment at Transcend Medical are eligible to participate in the 401(k) plan. As with your insurance benefits, refer to your Summary Plan Description (SPD) provided by the benefits administrator for specifics. If you have further questions about pension or profit sharing rights, consult with the benefits administrator. This benefit, as well as other benefits, may be canceled or changed at the discretion of the company, unless otherwise required by law.

### **7.2 Bereavement Leave**

Transcend Medical recognizes the importance of taking leave when there is a death in the family. You are entitled to take up to 3 days off with pay for the funeral of an immediate relative. Pay is based on the regular rate for an eight-hour day. Authorized leave without pay is available for extended funeral matters. Personal leave time may also be taken when necessary. Notify Human Resources of your intention to take bereavement leave as soon as the need arises. The company may request documentation to support absences for bereavement leave.

### **7.3 Exempt Personnel**

If you are classified as exempt at the time of your hiring, you are not eligible for overtime pay as otherwise required by federal, state, or local laws. If you have a question regarding whether you are exempt or nonexempt, contact your manager for clarification.

### **7.4 Holidays**

Transcend Medical offers the following paid holidays each year: New Years day, Memorial day, Labor day, July 4th, Thanksgiving, Christmas.

When a holiday falls on a Saturday, it will be observed the preceding Friday. Holidays falling on a Sunday will be observed the following Monday.

If a holiday falls on your regular day off, ask your manager how it affects you.

You will be compensated for holidays in accordance with federal and state law.

### **7.5 Leaves of Absence**

Leaves of absence follows federal guidelines.

## **7.6 Regular Full-Time Personnel**

Regular full-time team members are those who have completed their introductory period and are regularly scheduled to work more than 32 hours per week. Unless stated otherwise or specifically permitted by law, all the benefits provided to team members at Transcend Medical are for regular full-time team members only. This includes vacation, holiday pay, health insurance, and other benefits coverage.

## **7.7 Regular Part-Time Personnel**

All team members who work fewer than 32 hours per week are considered part-time. Part-time team members are not eligible for Transcend Medical benefits unless specified otherwise in this handbook, in the benefit plan summaries, or specifically permitted by law.

## **7.8 Severance Pay**

Any severance pay is at the discretion of Transcend Medical management and requires the employee to sign a Release of Claims Agreement as a condition of payment.

## **7.9 Sick Pay**

Transcend Medical allows its regular full-time team members to use its earned time off for sick days or vacation.

## **7.10 Temporary Personnel**

Temporary team members are hired for a specific period or specific work project, not to exceed 6 months in duration. Transcend Medical reserves the right to extend the duration of temporary employment where necessary. Temporary team members are not eligible for benefits unless specified otherwise in this handbook or in the benefit plan summaries, or specifically permitted by law.

## **7.11 Unemployment Compensation Insurance Policy**

Unemployment compensation insurance is paid for by Transcend Medical and provides temporary income for team members who have lost their job under certain circumstances. Your eligibility for unemployment compensation will, in part, be determined by the reasons for your separation from the company.

## **7.12 Workers' Compensation Insurance Policy**

Workers' compensation is a no-fault system designed to provide benefits to all team members for work-related injuries. Workers' compensation insurance coverage is paid for by employers and governed by state law. The workers'



compensation system provides for coverage of medical treatment and expenses, occupational disability leave, and rehabilitation services, as well as payment for lost wages due to work related injuries. If you are injured on the job while working at Transcend Medical, no matter how slightly, you are to report the incident immediately to your manager. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize your claim for benefits.

To receive workers' compensation benefits, notify your manager immediately of your claim. If your injury is the result of an on-the-job accident, you must fill out an accident report. You will be required to submit a medical release before you can return to work.

### **7.13 Military Leave (USERRA)**

Transcend Medical complies with applicable federal and state law regarding military leave and re-employment rights. Unpaid military leave of absence will be granted to members of the uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA; with amendments) and all applicable state law. You must submit documentation of the need for leave to management. When returning from military leave of absence, you will be reinstated to your previous position or a similar position, in accordance with state and federal law. You must notify your manager of your intent to return to employment based on requirements of the law. For more information regarding status, compensation, benefits, and reinstatement upon return from military leave, contact management.

## **8.0 Safety and Loss Prevention**

### **8.1 General Safety Policy**

It is the responsibility of all Transcend Medical team member to maintain a healthy and safe work environment. Report all safety hazards and occupational illnesses or injuries to your manager as soon as reasonably possible and complete an occupational illness or injury form as needed. Failure to follow the company health and safety rules may result in disciplinary action, up to and including termination of employment.

### **8.2 Policy Against Workplace Violence**

As the safety and security of our team members, vendors, contractors, and the general public is in the best interests of Transcend Medical, we are committed to working with our team members to provide a work environment free from violence, intimidation, and other disruptive behavior.

#### **Zero Tolerance Policy**

The company has a zero tolerance policy regarding workplace violence and will not tolerate acts or threats of violence, harassment, intimidation, and other disruptive behavior, either physical or verbal, that occurs in the workplace or other areas. This applies to management, co-workers, team member, and non-employees such as contractors, customers, and visitors.

Workplace violence can include oral or written statements, gestures, or expressions that communicate a direct or indirect threat of physical harm, damage to property, or any intentional behavior that may cause a person to feel threatened.

#### **Prohibited Conduct**

Prohibited conduct includes, but is not limited to:

- Physically injuring another person.
- Threatening to injure a person or damage property by any means, including verbal, written, direct, indirect, or electronic means.
- Taking any action to place a person in reasonable fear of imminent harm or offensive contact.
- Possessing, brandishing, or using a firearm on Company property or while performing Company business except as permitted by state law.
- Violating a restraining order, order of protection, injunction against harassment, or other court order.

#### **Reporting Incidents of Violence**

Report to your Managers [[or appropriate department]], in accordance with this policy, any behavior that compromises our ability to maintain a safe work

environment. All reports will be investigated immediately and kept confidential, except where there is a legitimate need to know. You are expected to cooperate in any investigation of workplace violence.

### **Violations**

Violating this policy may subject you to criminal charges as well as discipline up to and including immediate termination of employment.

### **Retaliation**

Victims and witnesses of workplace violence will not be retaliated against in any manner. In addition, you will not be subject to discipline for, based on a reasonable belief, reporting a threat or for cooperating in an investigation.

If you initiate, participate, are involved in retaliation, or obstruct an investigation into conduct prohibited by this policy, you will be subject to discipline up to and including termination.

If you believe you have been wrongfully retaliated against, immediately report the matter to [[Human Resources]].

## **8.3 Drug-Free Workplace**

### **Drug-Free Workplace Act**

As a federal contractor, Transcend Medical must comply with the requirements of the Drug-Free Workplace Act of 1988, which is a part of Public Law 100-690, Anti-Drug Abuse Act of 1988. The federal Drug-Free Workplace Act of 1988 (§ 5152) covers grants and contracts for the procurement of any service with a value of \$25,000 or more.

To comply with the act, federal agency contractors and federal grant recipients must provide a drug-free workplace. These federal contractors and grant recipients will:

- Publish a statement prohibiting the unlawful manufacture, distribution, dispensation, possession, or use of illegal drugs in the workplace and specify the actions that will be taken against team members for violations.
- Distribute a copy of the policy statement to team members engaged in the performance of a federal grant or contract.
- Notify team members that compliance with the policy is a condition of employment on such grant or contract and that team members must abide by the terms of the policy statement. The policy statement includes the requirement that team members notify the Company of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction.
- Notify the granting or contracting agency within 10 days after learning of a criminal drug statute conviction.

- Impose a sanction as required under this act on team members who are so convicted.
- Establish a program of drug-free awareness, informing team members about the organization's policy of maintaining a drug-free workplace, the penalties that may be imposed upon team members for drug-abuse violations, the dangers of drug abuse in the workplace, and any available drug counseling, rehabilitation, and assistance programs.
- Make a good faith effort to continue to maintain a drug-free workplace through implementation of these requirements.

### **Americans with Disabilities Act**

In addition to complying with the federal Drug-Free Workplace Act of 1988, the Company must comply with the requirements of the Americans with Disabilities Act of 1990 (ADA). Individuals who currently use drugs illegally are not individuals with disabilities protected under the ADA when an employer takes action because of their continued use of drugs. This includes people who use prescription drugs illegally as well as those who use illegal drugs. However, people who have been rehabilitated and do not currently use drugs illegally, or who are in the process of completing a rehabilitation program, may be protected by the ADA.

### **Drug-Free Workplace Policy**

The Company, in compliance with the federal Drug-Free Workplace Act of 1988, has adopted the following policy that must be adhered to as a condition of employment:

- The unlawful use, possession, manufacture, dispensation, or distribution of controlled substances in all work locations is prohibited.
- Any team members convicted of a criminal drug statute violation occurring in the workplace must notify their Managers of the conviction within five days after the conviction. As required by the federal Drug-Free Workplace Act of 1988, the Company must inform contracting or granting agencies of such convictions within 10 days after receiving notification or otherwise receiving notice of a conviction.
- Upon receiving such notification, the Company, in conjunction with the location concerned, will take all steps necessary to assure the proper conduct of sponsored projects and programs. If a decision is reached to allow the affected individual to continue employment with the Company, the individual must participate in and satisfactorily complete an approved drug abuse assistance or rehabilitation program.

## **9.0 Trade Secrets and Inventions**

### **9.1 Confidentiality and Nondisclosure of Trade Secrets**

As a condition of employment, Transcend Medical team member are required to protect the confidentiality of company trade secrets, proprietary information, and confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.) related to the company. Access to this information should be limited to a "need to know" basis and should not be used for personal benefit, disclosed, or released without prior authorization from management. If you have information that leads you to suspect that team member or competitors are obtaining such information, you are required to inform your manager.

Violation of this policy may result in discipline or termination, and may subject the violator to civil liability.

## **10.0 Customer Relations**

### ***10.1 Customer, Client, and Visitor Relations***

Transcend Medical strives to provide the best products and services possible to our customers and clients. Our customers and clients support this business and generate your wages. You are expected to treat every customer, client, or visitor with the utmost respect and courtesy during your working time. You should never argue or act in a disrespectful manner towards a visitor or customer during your working time. If you are having problems with a customer, client, or visitor, notify your manager immediately. If a customer, client, or visitor voices a suggestion, complaint, or concern regarding our products or services, inform your manager or a member of management. Lastly, make every effort to be prompt in following up on customer, client, or visitor orders or questions. Positive customer, client, and visitor relations will go a long way to establishing our company as a leader in its field.

### ***10.2 Products and Services Knowledge***

As a representative of Transcend Medical, you are expected to be familiar with the products and services we offer. Take every opportunity to learn the interrelationship between your department or division and the others of the company. We consider our team member to be the best reflection of our business brand and company success.

# Alabama Policies

## 11.0 Welcome

### 11.1 *At-Will Employment*

Your employment with Transcend Medical is on an "at-will" basis. This means your employment may be terminated at any time, with or without notice and with or without cause. Likewise, we respect your right to leave the company at any time, with or without notice and with or without cause.

Nothing in this handbook or any other Company document should be understood as creating a contract, guaranteed or continued employment, a right to termination only "for cause," or any other guarantee of continued benefits or employment. Only the [[name or title of hiring authority]] has the authority to make promises or negotiate with regard to guaranteed or continued employment, and any such promises are only effective if placed in writing and signed by the [[name or title of hiring authority]].

If a written contract between you and the Company is inconsistent with this handbook, the written contract is controlling. [[Language for PEOs: However, as to ((PEO name or reference)), the written contract between you and the Company does not control if it is inconsistent with this handbook.]]

Nothing in this handbook will be interpreted, applied, or enforced to interfere with, restrain, or coerce employees in the exercise of their rights under Section 7 of the National Labor Relations Act.

[[Additional language for employers with employees in Montana: This policy may not be appropriate in its entirety for team members working in Montana. See the Montana Nature of the Employment Relationship Policy.]]

## **12.0 Introductory Language and Policies**

### ***12.1 Revisions to Handbook***

This handbook is our attempt to keep you informed of the terms and conditions of your employment, including Transcend Medical policies and procedures. The handbook is not a contract. The company reserves the right to revise, add, or delete from this handbook as we determine to be in our best interest, except the policy concerning at-will employment. When changes are made to the policies and guidelines contained herein, we will endeavor to communicate them in a timely fashion, typically in a written supplement to the handbook or in a posting on company bulletin boards.



## **13.0 Hiring and Orientation Policies**

### **13.1 Disability Accommodation**

Transcend Medical complies with the Americans with Disabilities Act (ADA), the Pregnancy Discrimination Act, and all applicable state and local fair employment practices laws, and is committed to providing equal employment opportunities to qualified individuals with disabilities, including disabilities related to pregnancy, childbirth, and related conditions. Consistent with this commitment, the Company will provide reasonable accommodation to otherwise qualified individuals where appropriate to allow the individual to perform the essential functions of the job, unless doing so would create an undue hardship on the business.

If you require an accommodation because of your disability, it is your responsibility to notify your Managers. You may be asked to include relevant information such as:

- A description of the proposed accommodation.
- The reason you need an accommodation.
- How the accommodation will help you perform the essential functions of your job.

After receiving your request, the Company will engage in an interactive dialogue with you to determine the precise limitations of your disability and explore potential reasonable accommodations that could overcome those limitations. Where appropriate, we may need your permission to obtain additional information from your medical provider. All medical information received by the Company in connection with a request for accommodation will be treated as confidential.

The Company encourages you to suggest specific reasonable accommodations that you believe would allow you to perform your job. However, the Company is not required to make the specific accommodation requested by you and may provide an alternative accommodation, to the extent any reasonable accommodation can be made without imposing an undue hardship on the Company.

If leave is provided as a reasonable accommodation, such leave may run concurrently with leave under the federal Family and Medical Leave Act and/or any other leave where permitted by state and federal law.

The Company will not discriminate or retaliate against team members for requesting an accommodation.

### **13.2 EEO Statement and Nonharassment Policy**

#### **Equal Opportunity Statement**

Transcend Medical is committed to the principles of equal employment. We are committed to complying with all federal, state, and local laws providing equal employment opportunities, and all other employment laws and regulations. It is our intent to maintain a work environment that is free of harassment, discrimination, or retaliation because of age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed service member status, or any other status protected by federal, state, or local laws. The company is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment.

The company will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, or retaliation, or any violation of the Equal Employment Opportunity Policy in a confidential manner. The company will take appropriate corrective action, if and where warranted. The company prohibits retaliation against team members who provide information about, complain about, or assist in the investigation of any complaint of discrimination or violation of the Equal Employment Opportunity Policy.

We are all responsible for upholding this policy. You may discuss questions regarding equal employment opportunity with your manager or any other designated member of management.

### **Policy Against Workplace Harassment**

Transcend Medical has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. All forms of harassment of, or by, team members, vendors, visitors, customers, and clients are strictly prohibited and will not be tolerated.

### **Sexual Harassment**

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment; (2) submission to, or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

While it is not possible to identify every act that constitutes or may constitute sexual harassment, the following are some examples of sexual harassment:

- Unwelcome requests for sexual favors;
- Lewd or derogatory comments or jokes;
- Comments regarding sexual behavior or the body of another;
- Sexual innuendo and other vocal activity such as catcalls or whistles;
- Obscene letters, notes, emails, invitations, photographs, cartoons, articles, or other written or pictorial materials of a sexual nature;
- Repeated requests for dates after being informed that interest is unwelcome;
- Retaliating against another for refusing a sexual advance or reporting an incident of possible sexual harassment to the Company or any government agency;
- Offering or providing favors or employment benefits such as promotions, favorable evaluations, favorable assigned duties or shifts, etc., in exchange for sexual favors; and
- Any unwanted physical touching or assaults or blocking or impeding movements.

### **Other Harassment**

Other workplace harassment is verbal or physical conduct that insults or shows hostility or aversion toward an individual because of the individual's age (40 and older), race, color, national origin, ancestry, religion, sex, pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws.

Again, while it is not possible to list all the circumstances that may constitute other forms of workplace harassment, the following are some examples of conduct that may constitute workplace harassment:

- The use of disparaging or abusive words or phrases, slurs, negative stereotyping, or threatening, intimidating, or hostile acts that relate to the above protected categories;
- Written or graphic material that insults, stereotypes, or shows aversion or hostility toward an individual or group because of one of the above protected categories and that is placed on walls, bulletin boards, email, voicemail, or elsewhere on our premises, or circulated in the workplace; and
- A display of symbols, slogans, or items that are associated with hate or intolerance toward any select group.

### **Reporting Discrimination and Harassment**

If you feel that you have witnessed or have been subjected to any form of discrimination or harassment, immediately notify [[name, title, phone number, email]] or any member of management.

The Company prohibits retaliation against team members who, based on a reasonable belief, provide information about, complain, or assist in the investigation of any complaint of harassment or discrimination.

We will promptly and thoroughly investigate any claim and take appropriate action where we find a claim has merit. To the extent possible, we will retain the confidentiality of those who report suspected or alleged violations of the harassment policy.

Discipline for violation of this policy may include, but is not limited to, reprimand, suspension, demotion, transfer, and discharge. If the Company determines that harassment or discrimination occurred, corrective action will be taken to effectively end the harassment. As necessary, the Company may monitor any incident of harassment or discrimination to assure the inappropriate behavior has stopped. In all cases, the Company will follow up as necessary to ensure that no individual is retaliated against for making a complaint or cooperating with an investigation.

### ***13.3 Religious Accommodation***

Transcend Medical is dedicated to treating its team members equally and with respect and recognizes the diversity of their religious beliefs. All team members may request an accommodation when their religious beliefs cause a deviation from the company standards, but reserves the right to offer its own accommodation to the extent permitted by law. Some, but not all, of the factors that will be considered are cost, the effect that an accommodation will have on current established policies, and the burden on operations — including other team member — when determining a reasonable accommodation. At no time will the company question the validity of a person's belief.

If you require a religious accommodation, speak with your manager.

## **14.0 Wage and Hour Policies**

### **14.1 Accommodations for Nursing Mothers**

Transcend Medical will provide nursing mothers reasonable break time to express milk for their infant child(ren) for up to one year following the child's birth.

If you are nursing, you will be provided with a space, other than a restroom, that is shielded from view and free from intrusion from co-workers and the public.

Expressed milk can be stored [[in company refrigerators, refrigerators provided in the lactation room or other location, in a personal cooler]]. Sufficiently mark or label your milk to avoid confusion for other team members who may share the refrigerator.

Break time should, if possible, be taken concurrently with any other break time already provided. If you are nonexempt, clock out for any time taken that does not run concurrently with normally scheduled rest periods, and such time will be paid in accordance with federal law.

You are encouraged to discuss the length and frequency of these breaks with your Managers.

[[Optional clause: This policy applies only to team members classified as nonexempt under the Fair Labor Standards Act.]]

No provision of this policy applies, or will be enforced, if it conflicts with or is superseded by any requirement or prohibition contained in a federal, state, or local law, or regulation.

### **14.2 Meal and Rest Periods Policy**

Transcend Medical strives to provide a safe and healthy work environment and complies with all federal and state regulations regarding meal and rest periods. Check with your manager regarding procedures and schedules for rest and meal breaks. The company requests that team members accurately observe and record meal and rest periods. If you know in advance that you may not be able to take your scheduled break or meal period, let your manager know; in addition, notify your manager as soon as possible if you were unable to or prohibited from taking a meal or rest period.

### **14.3 Overtime**

If you are nonexempt, you may qualify for overtime pay. All overtime must be approved in advance, in writing, by your manager.

At certain times Transcend Medical may require you to work overtime. We will

attempt to give as much notice as possible in this instance. However, advance notice may not always be possible. Failure to work overtime when requested or working unauthorized overtime may result in discipline, up to and including discharge.

Unless otherwise required or exempted by law, overtime pay of one and one-half times your regular rate of pay is paid for any hours worked in excess of 40 hours in a workweek. Holidays, vacation days, and sick leave days do not count as time worked for computing overtime.

#### **14.4 Pay Period**

At Transcend Medical, the standard pay period is weekly, for all team members. Pay dates are each Friday. If a pay period falls on a holiday, you will be paid on the preceding workday. If a pay date falls on a Saturday, paychecks will be issued on Friday. If a pay date falls on a Sunday, paychecks may be issued on Monday. Special provisions may be required from time to time if holidays fall on pay dates. Check with your manager if this type of date arises.

If you are paid by commission, refer to your commission agreement.

Review your paycheck for accuracy. If you find an issue, report it to your manager immediately.

#### **14.5 Paycheck Deductions**

Transcend Medical is required by law to make certain deductions from your pay each pay period. This includes income and unemployment taxes, Federal Insurance Contributions Act (FICA) contributions (Social Security and Medicare), and any other deductions required under law or by court order for wage garnishments. The amount of your tax deductions will depend on your earnings and the number of exemptions you list on your federal Form W-4 and applicable state withholding form. You may also authorize voluntary deductions from your paycheck, including contributions for insurance premiums, retirement plans, spending accounts, or other services. Your deductions will be reflected in your wage statement.

The company will not make deductions to your pay that are prohibited by federal, state, or local law. If you have any questions about deductions from your pay, contact your manager. You will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law. If an error is found, you will receive an immediate adjustment, which will be paid no later than your next regular payday.

#### **14.6 Recording Time**

Federal and state laws require Transcend Medical to keep accurate records of hours worked by nonexempt (hourly) team members. Clock in no more than five minutes ahead of your start time and clock out no later than five minutes after

your quitting time. All nonexempt team member are required to enter their hours worked accurately, including all lunch periods and any rest periods of more than 20 minutes. You are required to notify the company of any pay discrepancies, unrecorded or mis recorded work hours, or any involuntary missed meal or break periods.

Do not complete the time sheet of any other team members or request that they do so for you. Be sure to indicate your days off. Any changes to your time card must be approved of and initialed by your manager. Time cards are to be turned in to management on each Monday.

Falsification of time records or recording time for other team member may result in discipline up to and including termination of employment.

#### **14.7 Travel Time Pay**

Some nonexempt positions within Transcend Medical require travel. The company pays nonexempt team members for travel time in accordance with federal and state law. For purposes of this policy, the regular workday is 8:30 – 5:30 (Monday – Friday), etc.

##### **Home to Work Travel**

If you travel from home before the regular workday and return to your home at the end of the workday, you are engaged in ordinary home to work travel, which is not work time.

##### **Home to Work on a Special One Day Assignment in Another City**

If you regularly work at a fixed location in one city and you are given a special one day assignment in another city, but return home the same day, the time spent in traveling to and returning from the other city is work time, except that the Company may deduct/not count that time you would normally spend commuting to the regular work site.

##### **Travel That Is All in a Day's Work**

Your time spent in travel as part of your principal activity, such as travel from job site to job site during the workday, is work time and must be counted as hours worked.

##### **Travel Away from Home Community**

Travel that keeps you away from home overnight is travel away from home. Travel away from home is clearly work time when it cuts across your workday. The time is not only hours worked on regular working days during normal working hours but also during corresponding hours on nonworking days. The Company will not consider as work time that time spent in travel away from home outside of your regular working hours as a passenger on an airplane, train, boat, bus, or automobile.

### **Work Performed While Traveling**

Any work you perform while traveling must be counted as hours worked.

### **Calculating and Reporting Travel Time**

You are responsible for accurately tracking, calculating, and reporting your travel time. Travel time should be calculated by rounding up to the nearest quarter hour.



## **15.0 Performance, Discipline, Layoff, and Termination**

### **15.1 Criminal Activity/Arrests**

Involvement in criminal activity during employment, whether on or off Transcend Medical property, may result in disciplinary action including suspension or termination of employment. Disciplinary action depends upon a review of all factors involved, including whether or not the action was work-related, the nature of the act, or circumstances that adversely affect attendance or performance. Any disciplinary action is not dependent upon the disposition of any case in court.

You are expected to be on the job, ready to work, when scheduled. Inability to report to work as scheduled as a result of an arrest may lead to disciplinary action, up to and including termination of employment, for violation of an attendance policy or job abandonment.

Any disciplinary action taken will be based on information reasonably available. This information may come from witnesses, police, or any other source as long as management has reason to view the source as credible.

### **15.2 Disciplinary Process**

Violation of Transcend Medical policies or procedures may result in disciplinary action including demotion, transfer, leave without pay, or termination of employment. The company encourages a system of progressive discipline depending on the type of prohibited conduct. However, the company is not required to engage in progressive discipline and may discipline or terminate team members who violate the rules of conduct, or where the quality or value of their work fails to meet expectations at any time. Again, any attempt at progressive discipline does not imply that your employment is anything other than on an "at-will" basis.

In appropriate circumstances, management will first provide you with a verbal warning, then with one or more written warnings, and if the conduct is not sufficiently altered, eventual demotion, transfer, forced leave, or termination of employment. Your manager will make every effort possible to allow you to respond to any disciplinary action taken. Understand that while the company is concerned with consistent enforcement of our policies, we are not obligated to follow any disciplinary or grievance procedure and that depending on the circumstances, you may be disciplined or terminated without any prior warning or procedure.

### **15.3 Post-Employment Reference Policy**

Transcend Medical policy is to confirm dates of employment and job title only. With written authorization, the company will confirm compensation. Forward any requests for employment verification to Randy Hunter.



## **16.0 General Policies**

### **16.1 Payroll Advances and Loans**

Transcend Medical does not make payroll advances or loans

### **16.2 Personnel and Medical Records**

Transcend Medical maintains a personnel file for all team members. Every effort will be made to keep your personnel and medical records confidential. Access is on a "need-to-know" basis only. This includes, but is not limited to, supervisors and others in management reviewing the file for possible promotion, transfer, or layoff.

If you wish to review your personnel or medical file, you must give the company reasonable notice. Inspection must occur in the presence of a company representative. All requests by an outside party for information contained in your personnel file will be directed to the Human Resources department, which is the only department authorized to give out such information.

### **16.3 Voicemail, Email, and Internet Policy**

This Voicemail/Email/Internet Policy is intended to provide Transcend Medical team members with the guidelines associated with the use of the voicemail/email/Internet system (the system). This policy applies to all team members and any others accessing and/or using the system through onsite or remote terminals.

#### **General Provisions**

- The system, and all data transmitted or received through the system, is the exclusive property of the company. You should not have any expectation of privacy in any communication over this system. If you are permitted to have access to the system, you will be given a voicemail, email, and/or Internet address and/or access code and will have use of the system consistent with this policy.
- The company reserves the right to monitor, intercept, and/or review all data transmitted, received, or downloaded over the system. Any individual who is given access to the system is hereby given notice that the company will exercise this right periodically, without prior notice and without the prior consent.
- The interests of the company in monitoring and intercepting data include, but are not limited to: protection of company trade secrets, proprietary, and similar confidential commercially-sensitive information (i.e. financial or sales records/reports, marketing or business strategies/plans, product development, customer lists, patents, trademarks, etc.); managing the use of the computer system; and/or assisting team members in the management of electronic data during periods of absence.

- You should not interpret the use of password protection as creating a right or expectation of privacy. To protect everyone involved, no one can have a right or expectation of privacy regarding the receipt, transmission, or storage of data on the team members voicemail/email/Internet system.

Any team members who violate this policy will be subject to corrective action, up to and including termination of employment. If necessary, the Company will also advise law enforcement officials of any illegal conduct.

## **17.0 Benefits**

### **17.1 Jury Duty Leave**

Transcend Medical encourages team members to fulfill their civic duties related to jury duty. If you receive a summons to report to jury duty, you must show the summons to your immediate supervisor on your next day of work. You will be granted leave for the duration of the required jury duty.

Full-time team member will receive their regular compensation while serving on jury duty, less any fees or compensation — but not expenses — received for serving as a juror. For part-time team member, time spent engaged in attending court for prospective jury service or for serving as a juror is not compensable; however, exempt team member will not incur any reduction in pay for a partial week's absence due to jury duty.

If you are called to jury duty, you will not be requested or required to use annual, sick, unpaid, or vacation leave for participating in the jury selection process or serving on a jury.

The company reserves the right to require team member to provide proof of jury duty service to the extent authorized by law.

The company will not retaliate against team member who request or take leave in accordance with this policy.

### **17.2 Paid Time Off (PTO) Policy**

Paid time off (PTO) provides you with the flexibility to use your time off to meet your personal needs, while recognizing your individual responsibility to manage your paid time off.

You will accumulate PTO each pay period worked and it is up to you to allocate how you will use it — for vacation, illness, caring for children, school activities, medical/dental appointments, personal business, or emergencies. Transcend Medical may require you to use any unused PTO during disability or family medical leave, or any other leave of absence, when permissible according to state and federal law. The amount of PTO earned will depend on your length of service with the company.

#### **Eligibility**

You are eligible to receive PTO if you are a regularly scheduled to work at least 32 hours per week.

#### **Deposits Into Your Leave Account**

The amount of PTO you accrue each year is based on your length of service and accrues according to the accrual schedule determined by the Company.

PTO is accrued as you work. You will not accrue PTO time while you are taking time off for any reason.

### **Maximum Accrual**

Although you may carry over unused PTO time from year to year, there is a cap on the amount of PTO time you can accrue. Once you reach your cap, you will not accrue any more PTO until you use some of the time in your account and drop below the cap. After your balance goes below the cap, you will begin accruing PTO again. However, you will not receive retroactive credit for time worked while you were at the cap limit. PTO accrual is capped at one and one half times your annual PTO accrual rate.

[[The amount of PTO accrued, used, and available will appear on your paycheck stub.]]

### **Termination**

You [[will/will not]] be paid for all accrued and unused PTO when you leave the Company.

### **Using Your PTO**

The minimum amount of PTO you can use at one time is one hour.

### **Notice and Scheduling**

You are required to provide your Managers with reasonable advance notice and obtain approval prior to using PTO. This allows for you and your Managers to prepare for your time off and assure that all staffing needs are met. There may be occasions, such as sudden illness, when you cannot provide advance notice. In those situations, inform your Managers of your circumstances as soon as possible.

### **17.3 Vacation Policy**

Vacation is paid to regular full-time Transcend Medical team member as follows:

- First year of employment: [[one]] workweek
- Second through third year of employment: [[two]] workweeks
- Third through tenth year of employment: [[three]] workweeks
- Tenth through twentieth year of employment: [[four]] workweeks
- Over 20 years of employment: [[five]] workweeks

You must give at least [[# of days/months]] notice to your Managers of your vacation plans. You will not be eligible to receive pay instead of vacation time, except with Company permission or upon termination. Any conflict in vacation requests will be decided based on seniority and Company needs. You will not accrue vacation during periods when you are not working and taking time off from the Company.

If a holiday occurs during your vacation you will be granted one additional day of vacation. If you are sick during your vacation you may not count that day towards sick pay. You must use vacation in one week blocks unless you have received approval from your Managers.

### **Maximum Accrual**

Although you may carry over unused vacation time from year to year, there is a cap on the amount of vacation time you can accrue. Once you reach your cap, you will not accrue any more vacation until you use some of the time in your account and drop below the cap. After your balance goes below the cap, you will begin accruing vacation time again. However, you will not receive retroactive credit for time worked while you were at the cap limit. Vacation accrual is capped at one and one half times your annual vacation accrual rate.

[[Optional: The amount of vacation accrued, used, and available will appear on your paycheck stub.]]

### **Minimum Increments of Vacation**

The minimum amount of vacation you can use at one time depends on whether you are exempt or a nonexempt. If you are nonexempt, you may not take less than [[one hour]] off at a time. If you are exempt, you must take vacation in increments of not less than [[one-half]] day at a time.

### **17.4 Voting Leave**

If you begin work two or more hours after the polls open or complete work at least one hour before the polls close, you will be deemed to have sufficient time outside of work hours to vote. If your work schedule prevents you from voting, you will be provided reasonable time off to vote. Time off to vote is unpaid; however, exempt team member may receive pay as required by applicable law. You must provide your manager with reasonable advance notice of the need for time off to vote. Transcend Medical may specify the hours during which you may be absent to vote.

## **18.0 Safety and Loss Prevention**

### **18.1 Drug and Alcohol Policy**

Transcend Medical considers drug and alcohol abuse a serious matter that will not be tolerated. The company absolutely prohibits team members from using, selling, possessing, or being under the influence of illegal drugs, alcohol, or a controlled substance or prescription drug not medically authorized while at their job, on Company property, or while on work time.

Therefore, it is Company policy that:

1. You may not report to work under the influence of alcohol, illegal drugs, or any controlled substance or prescription drug not medically authorized.
2. You may not possess or use alcohol, illegal drugs, or any controlled substance or prescription drug not medically authorized while on company property or on company business.

We also caution against use of prescribed or over-the-counter medication, which can affect your ability to perform your job safely, or the use of prescribed or over-the-counter medication in a manner violating the recommended dosage or instructions from the doctor. You must have a valid prescription for any prescription medication used while working for the Company. Inform your Managers prior to working under the influence of a prescribed or over-the-counter medication that may affect your ability to perform your job safely. If the Company determines that the prescribed or over-the-counter medication does not pose a safety risk, you will be allowed to work. Failure to comply with these guidelines concerning prescription or over-the-counter medication may result in disciplinary action, up to and including termination of employment.

A violation of this policy will result in disciplinary action, up to and including termination of employment.

[[Optional provision: The Company may assist you in seeking treatment or rehabilitation for drug or alcohol dependency. In such cases, the Company may consider your continued employment as long as concerns regarding safety, health, production, communication, or other work-related matters are adequately addressed. The Company may also require you to obtain a medical clearance, and agree to random testing and a "one-strike" rule as a condition of continued employment.]]

### **18.2 Nonsmoking Policy**

Transcend Medical is concerned about the effect that smoking and secondhand smoke inhalation can have on its team members and clients. Smoking in the office, client areas, and restrooms is prohibited.



## **19.0 Trade Secrets and Inventions**

### **19.1 *Inventions***

Any invention created, in whole or in part, during your work hours, or from the use of equipment or facilities belonging to Transcend Medical, is a "work for hire" and is the property of the company.

If you intend to develop and maintain property rights to any invention that relates in any way to products or services of the company, you are required to obtain a written waiver of this policy, signed by both you and the President.

## **Closing Statement**

Thank you for reading our handbook. We hope it has provided you with an understanding of our mission, history, and structure as well as our current policies and guidelines. We look forward to working with you to create a successful company and a safe, productive, and pleasant workplace.

Randy Hunter, President

Transcend Medical

## Acknowledgement of Receipt and Review

By signing below, I acknowledge that I have received a copy of the Transcend Medical Employee Handbook (handbook) and that I have read it, understand it, and agree to comply with it. I understand that the company has the maximum discretion permitted by law to interpret, administer, change, modify, or delete the rules, regulations, procedures, and benefits contained in the handbook at any time with or without notice. No statement or representation by a supervisor, manager, or any other employee, whether oral or written, can supplement or modify this handbook. Changes can only be made if approved in writing by the President of the company. I also understand that any delay or failure by the company to enforce any rule, regulation, or procedure contained in the handbook does not constitute a waiver on behalf of the company or effect the right of the company to enforce such rule, regulation, or procedure in the future.

I understand that neither this handbook nor any other communication by a management representative or other, whether oral or written, is intended in any way to create a contract of employment. I further understand that, unless I have a written employment agreement signed by an authorized company representative, I am employed "at-will" (to the extent permitted by law) and this handbook does not modify my "at-will" employment status.

If I am covered by a written employment agreement (signed by an authorized company representative) or a collective-bargaining agreement that conflicts with the terms of this handbook, I understand that the terms of the employment agreement or collective-bargaining agreement will control.

This handbook is not intended to preclude or dissuade employees from engaging in legally protected activities under the National Labor Relations Act (NLRA).

This handbook supersedes any previous handbook or policy statements, whether written or oral, issued by Transcend Medical.

If I have any questions about the content or interpretation of this handbook, I will contact Randy Hunter.

---

Date

---

Signature

---

Print Name