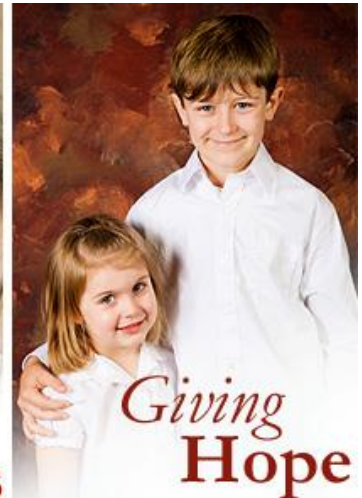
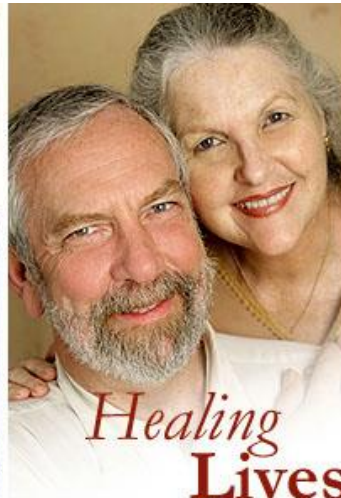


FLORIDA
Therapy Services, Inc.



Employee Handbook

Our Mission

To promote individual wellness and family stability through community based mental health services.

Our Vision

Florida Therapy Services, Inc. a leader within the mental health community, is setting the standard through our continued commitment to provide accessible and affordable quality mental health care services to Florida's families.

Our Values

Competence

Florida Therapy Services, Inc. is committed to providing clients with the best-trained and most experienced employees.

Integrity

Florida Therapy Services, Inc. team members remain committed to practicing our profession ethically, honestly, and compassionately.

Cultural Competence

Florida Therapy Services, Inc. maintains an environment that demonstrates respect for all the diverse cultural heritages of our employees, our clients and our community.

Service

Florida Therapy Services, Inc. practices the process of continuous self-improvement. Our team seeks new ways to improve our service delivery and strives to be innovative in our thinking.

Welcome to Florida Therapy Services, Inc.



We are delighted you have joined our team at Florida Therapy Services, Inc. Your talent, motivation, and commitment are keys to our success and future growth. Your contribution and service to FTS embodies the very core of our mission, as we strive to fulfill our goals of helping people, healing lives and giving hope to Florida's children and families.

Once again, welcome! We look forward to a long and flourishing relationship with you.

-Rollin and Teri Cable



Purpose of the Employee Handbook

Florida Therapy Services, Inc.'s (referred to as "FTS") employee handbook should be used as an outline of the basic personnel policies, practices, and procedures for the organization. This handbook, which replaces all previous employee handbooks and other oral or written statements of employment policy, is provided for informational purposes only and is not a contract between FTS and its employees. Nothing in this handbook changes the basic premise that employment with FTS is at-will, meaning that you have the right to terminate your employment at any time, with or without cause or notice, and that FTS has the same right. The rules and procedures contained in this handbook are not a complete list and cannot cover all situations that may arise. FTS explicitly reserves its right, in its sole and absolute discretion, to change, limit, restrict, revise, eliminate or otherwise modify any of its personnel policies or practices at any time.

The Human Resource Manager is responsible for distribution of the employee handbook and disseminating new policy information. Our Executive Committee, comprised of FTS' Chief Operating Officer/Chief Financial Offices, Chief Executive Officer, President of Clinical Operations, Human Resource Manager, Client Accounts Manager and Clinical Quality Manager, is responsible to develop, review, and amend FTS' policies and procedures. All employees are encouraged to recommend changes or new policies to the Human Resource Manager.

Our History

In 1994, Rollin and Teri Cable founded Florida Therapy Services, Inc. (FTS) in Tallahassee, Florida. The mission of FTS upon its inception was to meet the growing need for mental health services for senior citizens and disabled population residing in assisted living facilities. The Cables relocated to Panama City, Florida in 1997 where FTS became a Community Mental Health Center and began a Medicare approved Partial Hospitalization Program (PHP).

The FTS team of professionals includes psychiatrists that are board certified to treat adults, adolescents, and children, licensed clinical social workers, licensed mental health counselors, licensed marriage and family therapists, certified substance abuse counselors, masters level therapists, targeted case managers, as well as a comprehensive team of executive and administrative support professionals.

FTS offers an extensive range of community based behavioral health care services to include psychiatric evaluations, medication management, mental health evaluations, therapeutic behavioral on-site services, individual therapy, family therapy, and group therapy. Therapy services may be rendered in a variety of settings, to include the client's residence, school, and/or job site, in addition to a more traditional office location.

The Cables are proud of their growing team of dedicated professionals. They are diligently aware of, and humbled by, the community trust that affords them the opportunity to serve Northwest Florida families.

Florida Therapy Services, Inc. maintains the following office locations:

FTS Corporate Office

2711 West 15th Street, Panama City, Florida 32401 (850) 769-6001

FTS Panama City Office

2711 West 15th Street
Panama City, Florida 32401
(850) 769-6001

FTS Tallahassee Office

1834-A Jaclif Court
Tallahassee, Florida 32308
(850) 681-6001

FTS Milton Office

6107 Highway 90
Milton, FL 32570
(850) 981-0017

FTS Marianna Office

2944 Pennsylvania Ave,
Suite L Marianna,
Florida 32448
(850) 526-5500

FTS Pensacola Office

4400 Bayou Blvd,
Unit 38 Pensacola,
Florida 32503 (850)
471-0017

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Foreword

Florida Therapy Services, Inc. is a growing, dynamic organization. As you are notified of changes or additions to the employee handbook, you are responsible for abiding by these changes and for updating your handbook. Our objective is to provide you with a work environment that is constructive to both personal and professional growth. Some of the subjects described here are covered in official policy documents. You should refer to these documents for more specific information.

Employee Relations and Communication

We understand the importance of open communications and the valuable contributions you add to the success of FTS. There are many avenues for you to provide your thoughts and suggestions to get answers to your questions or have your issues addressed.

The primary resources to answer your questions or help solve our problems are listed in this section.

Your Supervisor

Your supervisor is the best and fastest source of information and generally should be the starting point to help you with questions or problems. He/she will answer questions or guide you to other sources that can. In the event you and your manager don't agree on a particular issue you may use another line of communication to get more information, such as the Human Resource Manager. Remember, you and your work performance are important to your supervisor. He/she will try very hard to work out any problems and find answers for you.

Human Resource Manager

The Human Resource Manager is *Lindsey Lowe*, who is located in the corporate office and can be reached at 850-769-6001, ext. 244, or llowe@flatherapy.com during normal business hours.

Compliance Officer

To report a concern about fraud, abuse or other clinical compliance issues, please contact the Compliance Officer, *Drew Hild*, at 850-769-6001 or dhild@flatherapy.com

Employment at Will

The provisions in this handbook are guidelines and do not establish a contract or any particular terms or conditions of employment between you and FTS. Neither this handbook nor any other company document confers any contractual right, either express or implied, to remain in the company's employ. Nor does it guarantee any fixed terms and conditions of your employment. Your employment is not for any specific time and may be terminated at will with or without cause and without prior notice by the company, or you may resign for any reason at any time. [See *SEPARATION* section for more detail] This "employment-at-will" relationship may not be modified for any employee. No contract or promise relating to employment may be made, unless approved in writing and signed by the Human Resource Manager, President and the employee.

Introductory Employment Period

FTS recruits carefully and believes in hiring the best employee for each position based on qualifications and experience. It is, however, to both the company's and the employee's advantage to have an initial period of employment in which the employee can appraise the company and job content, likewise FTS has a similar opportunity to appraise the new employee's job performance. Thus, each employee must complete an introductory period of 90 days after the employee is hired, measured from your initial date of employment. At the end of the introductory period, your performance will be reviewed; FTS reserves the right to extend the introductory period if necessary.

Completion of the introductory period does not guarantee continued employment with FTS for any specific duration, nor does it change the at-will employment status. As an at-will employee, you have the right to terminate your

employment at any time with or without cause and FTS reserves the same right. It is especially important that during the introductory period you make your supervisor aware of any questions or concerns you may encounter during this period. Any performance deficiencies or unsatisfactory performance will be addressed during the introductory period.

Equal Employment Opportunity (EEO)

FTS is an equal opportunity employer and committed to creating an environment that promotes the understanding of and appreciation for the value of diversity within the organization and its patient and vendor base. It is our firm policy that FTS will not discriminate against any applicant or employee based on race, national origin, religion, disability, medical condition, genetic information, color, ancestry, marital status, sexual orientation, age, military status, physical appearance or gender identity

It is our intent and desire that equal employment opportunity will be provided in employment, recruitment, selection, compensation, benefits, promotions, demotion, layoff, termination, and all other terms and conditions of employment with FTS. FTS will take affirmative action to ensure equal opportunity for all persons in the filling of our positions. Employees who believe they have suffered from discrimination should report this concern to their supervisor or the Human Resource Department immediately.

Complaints of discrimination will be handled and investigated under FTS' conflict resolution policy, unless special procedures are considered appropriate. All complaints of discrimination will be investigated promptly and in as impartial and confidential a manner as possible. Every effort will be made to reach a timely resolution of each complaint which will then be communicated to the parties involved. FTS prohibits any form of retaliation against employees for bringing bona fide complaints or providing information about discrimination. Any employee exhibiting discriminatory behavior toward another employee will be subject to disciplinary action, up to and including termination.

Employment Eligibility Verification

All staff members of FTS must complete an I-9 Employment Eligibility Verification form on their first day of work, issued by the Department of Homeland Security, and provide acceptable documents (listed on the back of the I-9 form) that establish identity and work eligibility. FTS is a participating employer in the E-Verify® system, which compares information from your Form I-9 to data from U.S. Department of Homeland Security and Social Security Administration records to confirm employment eligibility. The Human Resource Department is the Administrator of the E-Verify® program for FTS.

Employment Categories

Each employee of FTS is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws in accordance with the Fair Labor Standards Act (FLSA). NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by the Human Resources Department.

REGULAR, FULL-TIME employees are those who are not in an introductory period and are regularly scheduled to work a full-time schedule. They are eligible for FTS' benefits package, subject to the terms, conditions and limitations of each benefit program. These employees have completed their introductory period and work a normal workweek, defined as 32 or more hours per week.

If you are employed with FTS as a regular, full-time employee, successful completion of your introductory period entitles you to participate in certain employee benefit programs including paid time off, paid holidays, and insurance benefits. Paid time off (PTO) accrues during the introductory period; however, an employee is not eligible to utilize PTO until the introductory period is satisfactorily completed, meaning the employee receives a satisfactory performance evaluation, is awarded regular status, and continues employment beyond that point (see section, EMPLOYEE BENEFITS). PTO accrual for eligible employees begins the day of employment. PTO accrual balances are reflected on the employee's paycheck stub the first pay period of employment (see section, LEAVE OF ABSENCES).

REGULAR, PART-TIME employees are those who are not assigned to a temporary status and who work continuously for a specified number of hours per week, which is less than a regular schedule of fewer than 32 hours per week. Regular, part-time employees receive all legally mandated benefits (such as Social Security and Workers Compensation Insurance).

Code of Ethics

FTS endeavors to implement effective personnel policies whereby promoting the best interest of all of our employees and our organization. FTS is committed to a mutually rewarding and direct relationship with its employees without the intervention of outside groups, such as unions. Thus, FTS attempts to:

- Provide equal employment opportunity and treatment regardless of race, national origin, religion, disability, medical condition, color, ancestry, marital status, sexual orientation, age, military status, physical appearance or gender.
- Provide compensation and benefits commensurate with the work performed
- Establish reasonable hours of work based on FTS' production and service needs
- Monitor and comply with applicable federal, state, and local laws and regulations concerning employee safety
- Offer training opportunities for those employees whose talents or needs justify the training
- Be receptive to constructive suggestions about performance duties, working conditions, or personnel policies; and
- Establish appropriate means for employees to discuss matters of concern with their immediate supervisor

FTS is committed to providing clients with excellent services, as well as creating a productive work environment.

As such we are all expected to:

- (a) Interact and communicate with clients and patients in a professional manner
- (b) Represent FTS in a positive and ethical manner;
- (c) Perform assigned tasks in an efficient manner;
- (d) Be punctual
- (e) Demonstrate a considerate, friendly, and constructive attitude toward fellow employees; and
- (f) Follow the policies adopted by FTS.

FTS retains the sole discretion to exercise all managerial functions, including the rights to:

- (a) Dismiss, assign, supervise, and discipline employees;
- (b) Determine and change starting times, quitting times, and shifts;
- (c) Transfer employees within departments or into other departments and other classifications;
- (d) Determine and change the size and qualifications of the workforce;
- (e) Determine and change methods by which its operations are to be carried out;
- (f) Determine and change the nature, location, goods produced, services rendered, quantity, and continued operation of the business; and
- (g) Assign duties to employees in accordance with FTS' needs and requirements and to carry out all ordinary administrative and management functions.

Employment is on an at-will basis, meaning that either FTS or the employee may end the relationship at any time and without cause or prior notice. With that said, due to the nature of our work and the population we serve, ethical and professional edicts speak to the importance of giving notice in order to provide closure for our clients. Thus, it is vitally important that direct care providers offer notice prior to leaving the company. Please see the section on separation for further information.

Behavior of Employees

We are all expected to conduct ourselves in a positive manner in order to promote the best interests of FTS. To that end, reasonable rules of conduct have been established to ensure efficient and congenial working conditions. The observance

of these rules is necessary for your safety and protection. Appropriate employee conduct includes:

- a) Treating all clients, visitors, and coworkers in a courteous and respectful manner
- b) Refraining from behavior or conduct that is offensive or undesirable, or which is contrary to FTS' best interests
- c) Reporting to supervisor or Human Resource Department suspicious, unethical, or illegal conduct by coworkers, consumers, or suppliers
- d) Reporting to supervisor or Human Resource Department any threatening or potentially violent behavior by coworkers;
- e) Cooperating with company investigations
- f) Complying with all FTS safety and security regulations
- g) Wearing clothing appropriate for the work being performed
- h) Performing assigned tasks efficiently and in accord with established quality standards;
- i) Reporting to work punctually as scheduled and being at the proper work station, ready for work, at the assigned starting time
- j) Giving proper advance notice whenever unable to work or report on time
- k) Using tobacco only at times and in places where permitted by FTS rules or local ordinances
- l) Eating meals only during meal periods and only in the designated eating areas, maintaining cleanliness and order in the workplace and work areas

The following conduct is **prohibited** and individuals engaged in it will be subject to discipline, up to and including termination:

- a) Engaging in or threatening acts of workplace violence, including but not limited to:
 - i. Possessing firearms or other weapons inside FTS facilities
 - ii. Fighting or assaulting a coworker, guest, or patient;
 - iii. Threatening or intimidating a coworker, patient, or guest;
- b) Engaging in any form of sexual or other harassment, including but not limited to making reference to someone's weight, height, or any other body feature.
- c) Reporting to work under the influence of alcohol, illegal drugs, or narcotics or using, selling, dispensing, or possessing alcohol or illegal drugs or narcotics on FTS premises
- d) Intentional disclosure of PHI will result in immediate termination
- e) Falsifying or altering any FTS record or report, such as an employment application, medical reports, production records, timesheets, expense accounts, absentee reports, or shipping and receiving records;
- f) Stealing, destroying, defacing, or misusing FTS property or another employee's or consumer's property;
- g) Personal use of FTS communications systems, including electronic mail, computers, Internet access, and telephones
- h) Refusing to follow management's instructions concerning a performance-related matter or being insubordinate;
- i) Failing to wear assigned safety equipment or failing to abide by safety rules and policies
- j) Soliciting or distributing in violation of FTS policies
- k) Using tobacco where prohibited by local ordinance or FTS rules
- l) Using profanity or abusive language
- m) Gambling on FTS property
- n) Playing pranks or engaging in horseplay
- o) Wearing improper attire or having an inappropriate personal appearance

The examples of impermissible behavior described above are not intended to be an all-inclusive list. Any violation of FTS policies or any conduct considered inappropriate or unsatisfactory may subject the employee to disciplinary action. Questions about this policy should be directed to the Human Resource Manager.

ARRESTS, INDICTMENTS, CONVICTIONS

It is the policy of FTS that all employees obey local, state and federal laws. If an employee of FTS is arrested, indicted or convicted, the executive management team will evaluate the situation before taking action.

If you are arrested and/or indicted, based on the charges, you may be:

- Suspended without pay until conviction or acquittal
- Terminated from employment
- Allowed to continue employment

If you are convicted, your employment status may be reviewed again by the executive management team at that time. A termination decision will be made on a case-by-case basis and may be based on the following:

- Your inability to return to work due to incarceration
- If your conviction precludes your employment at FTS as a matter of law
- Your presence at work would cause substantial disruption in the workplace
- The crime for which you were convicted is of such nature that it adversely affects our legitimate business interests
- The nature of the crime is such that allowing you to continue to work results in a "good faith" belief on the part of
- FTS that there is a possibility of future harm to your co-workers, our patients, family members or business interests of FTS.

If an employee is exonerated, consideration may be given to reinstatement to the employee's former position or, if already filled, an open position for which the employee is qualified. If you have information of a co-worker's arrest, indictment or conviction, you should immediately inform the Human Resource Department or your immediate supervisor.

Personal Appearance of Employees

It is important for all employees to project a professional image of FTS. To create this image to patients, visitors and guests, FTS adheres to a business casual and/or business professional dress code. Acceptable personal appearance, like proper maintenance of work areas, is an ongoing requirement of employment with FTS. The company reserves the right to determine the appropriateness of employee dress in all cases. Employees may be required to leave work, without pay, if inappropriately attired. Subsequent warnings regarding inappropriate dress and appearance may result in disciplinary action up to and including termination. FTS reserves the right to amend this policy at any time.

Business Dress Code (Monday-Thursday)

APPROPRIATE BUSINESS ATTIRE

- Dresses—cannot be more than three inches above the knee
- Suits/pantsuits—ties/blazers/vests, etc.
- Skirts—cannot be more than three inches above the knee
- Blouses/shirts
- City Shorts—must be at or below the knee in business suitable fabric
- Pants or capris in business suitable fabrics
- Scrubs/medical uniforms are acceptable for nursing staff only.
- Any type of business shoe—heels, flats, loafers, dressy sandals, etc. Open-toe shoes are acceptable as long as they are appropriate for the workplace.

INAPPROPRIATE BUSINESS ATTIRE

- Any type of denim (jean dresses, denim shirts, jackets, jeans, denim skirts, etc.)
- Mini-skirts or skorts
- Midriff tops or off-the-shoulder blouses
- Strapless or spaghetti strap dresses without an appropriate cover on the shoulders
- Flip-flops, beach thong flops, etc.
- Casual shorts or city shorts above the knee

- Casual/sport t-shirts (including logo merchandise)
- Leggings or stirrup pants
- Athletic or canvas shoes
- Bras, sports bras, short/crop tops
- Camouflage attire
- Athletic attire/workout clothing
- T-shirts or sweatshirts with graphic material or political advertisements
- Baseball caps

Casual Dress Code (Friday)

Casual dress on Fridays is permitted, unless otherwise *specified.

APPROPRIATE FRIDAY CASUAL ATTIRE

- Any type of denim (jean dresses, denim shirts, jackets, jeans, denim skirts, etc.) but cannot be holey, frayed, ripped or torn
- Khakis/chino pants
- FTS company logo shirts
- Athletic or canvas shoes (should be clean, properly laced)
- Leggings or stirrup pants (must cover backside appropriately)
- City shorts (at or below the knee)

INAPPROPRIATE FRIDAY CASUAL ATTIRE

- Mini-skirts or skorts
- Midriff tops or off-the-shoulder blouses
- Strapless or spaghetti strap dresses without an appropriate cover on the shoulders
- Flip-flops, beach thong flops, etc.
- Casual shorts or city shorts above the knee
- Casual/sport t-shirts (including logo merchandise)
- Bras, sports bras, short/crop tops
- Camouflage attire
- Athletic attire/workout clothing
- T-shirts or sweatshirts with graphic material or political advertisements
- Baseball caps

*On some occasions, employees may be asked to conform to business casual or professional attire on Fridays for outside meetings, audits, etc.

At all times:

- ID badges must be worn.
- Clothing should be clean, pressed and in good repair with the proper fit.
- Hair must be clean, combed, and neatly trimmed or arranged. Shaggy, unkempt hair is not permissible regardless of length. Sideburns, mustaches, and beards should be neatly trimmed. Wet hair is not professional and is not acceptable.
- Clothing should cover the mid-back, lower-back and midriff area.

- Undergarments **must not** be visible.
- Offensive body odor and poor personal hygiene is not professionally acceptable.
- Perfume, cologne or aftershave should be used in moderation.
- Tattoos and body piercings (other than earrings) and facial jewelry should be covered, if/when possible.
- Suggestive attire is not permitted (plunging or revealing necklines, anything too tight or see-thru, skirts or dresses with side slits above the knee).

None of these groups is intended to be all-inclusive. Rather, these items should help set the general parameters for proper business attire and allow you to make intelligent judgments about items not specifically addressed. A good rule of thumb is that if you are not sure something is acceptable, choose something else or inquire first.

Confidential Nature of Company Affairs

Information designated as confidential may not be discussed with anyone outside FTS and may be discussed within the organization only on a "need to know" basis. In addition, employees have a responsibility to avoid unnecessary disclosure of non-confidential internal information about FTS its employees and/or patients.

FTS may prohibit the use of cameras, camera phones and/or recording devices in areas where confidential business information and/or employee privacy may be comprised.

Employees are prohibited from attempting to obtain confidential information for which they have not received authorization. Employees violating this policy will be subject to discipline, up to and including termination, and may be subject to legal action. All media inquiries and other inquiries of a general nature should be referred to the CEO. In addition, all press releases, publications, speeches, or other official declarations must be approved in advance by the CEO. Further, questions about employee references or other information concerning current or former employees should be referred to the Human Resource Department.

Confidentiality of Clients

FTS firmly upholds each client's right to privacy and confidentiality. FTS abides by state and federal law, which governs client confidentiality. FTS strictly abides by the Health Insurance Portability and Accountable Act (HIPAA). Information concerning clients and their families, including demographic information, name, life circumstances, services provided, etc. is strictly confidential. Only under prescribed circumstances is PHI and confidential information subject to certain reporting privileges.

During the performance of duties, FTS employees necessarily become aware of personal or confidential information about clients. This information shall be held in strict confidence and shall not be discussed with anyone, including co-workers, family members, or friends except on a professional, need-to-know basis. You will be provided training on confidentiality issues and laws. All employees, upon hire, will be required to read and sign a Confidentiality Statement.

Personal information concerning a client may not be divulged by an employee to newspaper, television or radio media by telephone, in writing or in person. All such inquiries should be directed to the President of Clinical Operations, Sandra Lee.

All subpoenas or requests for court records received should be brought to your supervisor's attention. It is the responsibility of the supervisor to notify the QA Department to ensure timely response to requests and subpoenas. Should a question arise regarding the possible conflict between confidentiality and reporting or court testimony obligations, please consult with Drew Hild, Quality Assurance Manager.

Confidentiality is important when dealing with information regarding fellow staff and team members. The intentional disclosing of personal information about others whether staff or clients is strictly prohibited and will result in immediate termination.

Health Insurance Portability and Accountability Act (HIPAA)

It is the policy of Florida Therapy Services, Inc. to remain current in our compliance program with HIPAA regulations. You will receive training related to your job responsibilities regarding the policies and procedures of the HIPAA Privacy and Security Rule. For the full manual of policies and procedures please revert to the HIPAA Policies and Procedures Manual. These are an important aspect of the position you hold; therefore you must adhere to the policies and procedures required by HIPAA and FTS. HIPAA violations are serious and therefore will be subject to immediate termination.

Limited Access Policy

FTS wishes to maintain a safe and secure environment for our employees and clients. The main entryways to each office should remain open between the hours of 8:00 a.m. and 5:00 p.m. and be locked before the hours of 8:00 a.m. and after 5:00 p.m. designated employees will receive a key to these doors.

VISITORS AND GUESTS OF FTS

Only authorized individuals are allowed beyond the lobby area and into the working areas of our facilities. All visitors to FTS locations are to sign in with the front office personnel and be escorted by authorized personnel to ensure proper client confidentiality. Visitors, including vendors and service workers are allowed into employee working areas authorized by FTS personnel only, but must sign in and receive a "VISITOR" badge. All off-duty employees who enter FTS premises outside of regular working hours are restricted to the access granted visitors. Employees are encouraged to report unauthorized persons on FTS property to any supervisor immediately. Please do not allow visitors to roam the premises unattended.

CHILDREN IN THE WORKPLACE

It is the policy of FTS not to allow children in work areas or offices, except under brief or exceptional circumstances, with supervisor approval. This policy ensures safety and to prevent children from inadvertently distracting staff from their work. This policy does not apply to children who are patients or children of patients of FTS.

ANIMALS IN THE WORKPLACE

FTS strives to provide a safe environment for employees, visitors and patients. With the exception of service animals, and animals involved in approved FTS activities, animals are not permitted in any FTS buildings. Service animals must be properly restrained and/or contained.

Personal Identification Badges

All staff of FTS is required to obtain an ID badge at the beginning of employment from the Human Resource Department. **This badge must be worn at all times during business hours.** This badge is the property of FTS and must be returned at the time of separation and may only be used when representing FTS. If the ID badge is lost or stolen, please report immediately to the Human Resource Department to obtain a new badge.

Keys and Access Codes

Some employees will be entrusted with keys and/or security access codes to various locations or offices. It is the responsibility of each of these employees to safeguard keys and access codes. They are issued for specific work needs and must never be loaned or given to anyone else. Employees should never duplicate, tamper with or alter any of these items. Never share your access code with anyone.

Keys are issued from the company's key master, the Human Resource Department. Each key will be signed out upon issue and returned upon separation from the company. If not returned promptly, any fees the company may incur to change the locks or duplicate keys will be charged to the separated employee.

Passwords and Privacy Issues

FTS reserves the right to conduct monitoring of the systems' uses to include e-mail messages and can do so despite assignment of individual employee passwords for systems security. Passwords are designed to provide systems security from unauthorized users, not to provide privacy to the individual systems user. FTS can bypass individual passwords; therefore in addition to prohibition against personal use, employees must be aware they should not have any expectation of personal privacy use of FTS systems. Employees should never share passwords with anyone.

Attendance and Punctuality

FTS expects employees to report for work punctually and to work all scheduled hours and any required overtime. The efficient operation of each department at FTS requires coordinated teamwork involving each and every employee. Employees are expected to be engaged in carrying out their duties during all scheduled work time and should be ready to begin working at their scheduled time.

Employees are expected to notify their supervisor, as far in advance as possible, whenever they are unable to report to work, know they will be late, or must leave early for any reason. In order to avoid disruption of work in your department in your absence, this time is needed to make arrangements to have someone else perform your duties.

If the supervisor is unavailable, please call the Human Resource Manager during or after business hours. If neither is available, you may call the Corporate Office Receptionist as a last resort. **It is your responsibility to ensure your supervisor is aware of your absence.** Not following this policy could result in discipline up to and including termination. Absences or appointments known in advance should be submitted to the employee's supervisor in a written format using the Request for Time Off form.

Unscheduled absences in excess of three days or more are considered Short Term Leaves of Absence. Please see the SHORT TERM LEAVE OF ABSENCE section of the handbook for additional information

Employees, who report for work in a condition considered not fit for work, whether for illness or any other reason, will not be allowed to work. Failure to report to work and call in the absence for two (2) consecutive work days will be considered a voluntary resignation. **Excessive tardiness and poor attendance disrupt work flow and customer service and will not be tolerated.**

Patterns of absenteeism or tardiness may result in discipline even if the employee has not yet exhausted available paid time off. Not reporting to work and not calling to report the absence is a no-call/no-show and is a serious matter. The first instance of a no-call/no-show will result in a final written warning. The second separate offense may result in termination of employment with no additional disciplinary steps.

Hours of Work

The hours of work per day and per week vary with positions and department. Employees should be available for additional hours or irregular work schedules when requested by their supervisor. At times, FTS has provisions for flexible hours of service, including evenings and weekends, in order to meet the needs and availability of our company, clients and client families as well as to respond to crises. Depending on supervisor approval, adjustment in hours worked within the week by employees is permitted. Employees should check with the Human Resource Manager prior to working the extra hours to determine if adjusted hours are permissible. All FTS administrative offices are open at least 40 hours per week.

The workweek begins at 12:01 a.m. on Sunday morning and ends at 11:59 p.m. on Saturday night. The normal workday for full-time employees will consist of eight hours of work with an unpaid meal period of one hour. Two fifteen-minute rest periods are considered as time worked.

MANDATORY LUNCH HOURS

All full-time and part-time employees are allowed one hour for lunch. For non-exempt (hourly) employees, you must clock out for the meal period, and be completely relieved of any work duties. For those who are involved in working with personal health information (PHI) including billing, log sheets, notes, charts, documentation, etc., eating at your desk is **strictly prohibited.**

Lunch breaks are generally taken between the hours of 11:00 a.m. and 2:00 p.m. The schedule for meal periods should be established on the basis of work requirements in each office. Staggered meal periods may be necessary in order to best

serve our clients' needs. Any variations on your lunch hour must be pre-approved by your supervisor. Supervisors should ensure each location is adequately staffed and someone with authority to resolve minor problems is available at all times.

REST PERIODS

Two paid rest periods of 15 minutes each are permitted. The schedule for these breaks depends completely on the needs of each office. You may use this time to smoke, use your cell phone for personal calls, coffee breaks, rest breaks, stretching, etc. Smokers should consider these breaks to be inclusive of their "smoking breaks." You may not leave the premises of FTS on your break. You must clock out at any time you leave the premises for any reason.

OVERTIME

On occasion, non-exempt (hourly) employees may be asked to work overtime to accommodate necessary business operations. Employees are not permitted to work overtime without the prior approval from their supervisor before working overtime. For the purposes of overtime compensation, only hours actually worked in excess of forty during a workweek will be counted. Employee attendance at lectures, meetings, and training programs will be considered hours of work, and therefore will be compensated time, if attendance is requested by management.

RECORDING TIME WORKED

The Fair Labor Standards Act (FLSA), a federal law, requires an employer to keep records of hours worked by all non-exempt employees.

NON-EXEMPT EMPLOYEES

Non-exempt (hourly) employees are required to use a time clock system (LionClock) on the computer to record hours worked daily. The daily time record must accurately reflect all regular and overtime hours worked and any absences, late arrivals, early departures, and meal breaks. Managers are responsible for ensuring that employees punch in and punch out at their scheduled hours so the information is accurate for payroll processing. Failure to punch in and out or late submission of any payroll items including time sheets, PTO forms, mileage, etc. may result in delayed payment.

It is the employee's responsibility to notify your supervisor if you failed to punch in and out correctly so a Time Adjustment Form can be filled out and submitted to the Payroll Department for change. Non-exempt employees are strictly prohibited from working "off the clock." Any employee who fails to report or inaccurately report any hours worked will be subject to disciplinary action, up to and including termination.

The IT Department will be responsible for setting up your time clock pin password and will issue this information to you within the first week of your employment with FTS.

It is a violation of FTS policy for any employee to falsify or alter his/her or another employee's timesheet, including clocking out for someone else. It is considered theft and a violation of FTS policy for any employee or supervisor to instruct another employee to incorrectly or falsely report hours. Violations of this policy must be reported to the Human Resources Department immediately, and may result in immediate termination.

EXEMPT EMPLOYEES

If you are classified as an exempt, salaried employee, you will receive a set salary, which is intended to compensate you for any hours you may work. This salary will be established at the time of hire or when you become classified as an exempt employee. The salary will be a pre-determined amount that will not be subject to deductions for variations in the quality or quantity of the work you perform.

Under federal and state law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary may be reduced for the following reasons:

- Full day absences for any reason and you have exhausted or have not yet accrued enough leave time
- Full day disciplinary suspensions for infractions of written policies and procedures
- The first or last week of employment in the event you work less than a full week.

Your salary will not be reduced for any of the following reasons:

- Partial day absences for any reason
- Absences for jury duty, attendance as a witness in which any week you have performed work
- Any other deductions prohibited by state or federal law.

Reimbursements & Expenses

AUTOMOBILE USAGE AND TRAVEL

FTS provides vehicles for business use to allow employees to drive on company-designated business and to reimburse employees for business use of personal vehicles according to the following guidelines:

1. FTS employees may not drive any business vehicles without prior approval of the Human Resource Department. Before being approved to operate a company vehicle, an employee's driving record will be reviewed, with consent of employee, and the existence of a valid driver's license and personal auto liability insurance coverage will be verified. Employees approved to drive on company business are required to inform the Human Resource Department of any changes that may affect either their legal or physical ability to drive or their continued insurability.
2. Employees holding jobs requiring regular driving for business as an essential job function must, as a condition of employment, be able to meet the driver approval standards of this policy at all times. For all other jobs, driving is considered only an incidental function of the position.
3. Employees who drive a vehicle on company business must, in addition to meeting the approval requirements above, exercise due diligence to drive safely and to maintain the security of the vehicle and its contents. Employees are also responsible for any driving infractions or fines as a result of their driving.
4. Non-employees and non-business passengers (i.e. family members and friends) are prohibited from riding in company vehicles.
5. Employees must report any theft, or malicious damage involving a company vehicle, regardless of the extent of the damage. Such reports must be made as soon as possible, but no later than 48 hours after the incident. However, employees should make no voluntary statement other than in reply to questions of investigating officers.
6. Employees are not permitted, under any circumstances, to operate a company vehicle or a personal vehicle for company business when any physical or mental impairment causes the employee to be unable to drive safely. Additionally, employees shall not operate any company vehicle at any time or operate any personal vehicle while on company business while using or consuming alcohol, illegal drugs or prescription medications that may affect their ability to drive. These prohibitions include circumstances in which the employee is temporarily unable to operate a vehicle safely or legally because of impairment, illness, medication or intoxication.
7. When returning the company vehicle, please ensure there is at least one-half tank of gas. Return keys as soon as possible.
8. When no company vehicles are available, employees may use their own vehicles for business purposes with prior approval. Employees who use their personal vehicles for approved business purposes will receive a mileage allowance equal to \$.50 mileage allowance for such usage. This allowance is to compensate for the cost of gasoline, oil, depreciation and insurance. Employees who operate personal vehicles for company business should obtain auto liability coverage for bodily injury and property damage with special endorsement for business use, when necessary as determined by their personal insurance agent. Please use FTS' Mileage form to turn in any mileage reimbursements. **This form should be turned in to the Human Resource Department during the same pay period it was used.**

DRIVING SAFETY RULES

Driver inattention is a factor in a majority of motor vehicle accidents. We are not only concerned about your welfare as a FTS employee, but also the welfare of others who could be put in harm's way by inattentive driving.

As a driver, your first responsibility is to pay attention to the road. When driving on FTS business, or driving while conducting business on behalf FTS in any other manner, the following applies:

OBEY THE LAW

All drivers and passengers operating or riding in a company vehicle must wear seat belts. FTS is not responsible for any moving traffic violations, parking tickets, or any other city ordinances or state/federal laws regarding your driving habits and operation/care of your personal motor vehicle. Any tickets issued are the employee's responsibility, even if the ticket is issued while conducting business for FTS.

DISTRACTED DRIVING

Cell phone use while driving is a common, often harmful, distraction. We are concerned about your safety as well as the safety of others. As of October 1, 2013 it is now illegal to text while driving. This applies to all drivers regardless of age. Currently there are no talking bans on cell phones while driving. If you must use your cell phone while driving, please use good judgment: keep the call short, use a hands-free device, get to know your phone and its features, and suspend conversations during hazardous driving conditions (rain, snow, ice, fog, glare, heavy traffic, etc.).

OTHER SAFE DRIVING PRECAUTIONS

- Drivers are responsible for the security of company vehicles assigned to them. The vehicle engine must be shut off, ignition keys removed, and vehicle doors locked whenever the vehicle is left unattended.
- Use better judgment when road conditions are poor. Limit or avoid driving when rain or snow threatens your safety.
- Make an effort to avoid distractions such as eating, applying makeup, paying too much attention to your radio/CD player, or other distracting behavior.
- Laptop computers should never be used at any time while driving.
- If using a vehicle not your own (rental or otherwise), be sure to properly adjust the mirrors and familiarize yourself with the vehicle's controls before operating.

ACCIDENT PROCEDURES

- Call the police. All accidents, regardless of severity, must be reported to the police. Record names and addresses of driver, witnesses and occupants of the other vehicles and any medical personnel who may arrive at the scene.
- Call for medical aid if necessary.
- In an attempt to minimize the results of an accident, the driver must prevent further damages or injuries and obtain all pertinent information and report it accurately.
- Immediately report the accident to your supervisor and/or the Human Resource Department. Provide a copy of the accident report and/or your written description of the accident.

VEHICLE USE AND MAINTENANCE

- Company vehicles must be reserved prior to use; to reserve the company van please see Drew Hild, Quality Assurance Manager.
- Assigned company fuel credit cards are to be used for gas only and for the assigned vehicle only, unless otherwise authorized by the CFO. Fuel receipts must contain the following information: the correct date, gallons, price per gallon, total price and mileage at the time the vehicle is refueled.
- Mileage logs are provided for all company vehicles and must be filled out every time the vehicle is used.
- Company vehicles are to be left with no less than half a tank of fuel when returned.
- Smoking is not allowed in company vehicles.
- Report any maintenance issues to the Quality Assurance Manager.

BUSINESS ENTERTAINMENT

Employees of FTS who entertain on behalf of the company are expected to conduct themselves in a professional manner and apply the same rules of conduct whether they are on FTS premises or traveling for business purposes. Employees may entertain business associates on behalf of FTS only if they have been authorized to do so by an Executive staff member. Authorization should define the general circumstances and expense limits of the approved forms of entertainment.

Employee entertainment expenses will be paid or reimbursed if they are reasonable, are directly related to or associated with FTS' business, and are properly approved by the supervisor. Employees who incur entertainment expenses that do not meet these standards will be personally responsible for those expenses.

MEAL REIMBURSEMENT

Employees required to travel on company business overnight may charge to FTS, or be reimbursed for, the cost of all meals during their travel. The FTS per diem rate for each day is \$30, to include breakfast, lunch and dinner meals. In addition, employees may charge or be reimbursed for meals associated with pre-approved business entertaining or with the pre-approved activities of luncheons, conferences and the like. The employee's supervisor must pre-approve all meal expense documentation and send it to the Finance Department for processing and payment.

MISCELLANEOUS EXPENSE REIMBURSEMENT

Employees are required to obtain supervisory approval in writing for miscellaneous expenses. It is the responsibility of each employee to understand and comply with this policy prior to submitting expenses for payment. Any questions or guidance should be directed to the employee's supervisor or the Finance Department.

Costs incurred for items of a business nature not provided for in the above categories (such as meetings, luncheons, supplies on an emergency basis, etc.) will be reimbursed, contingent upon supervisory approval.

These items should be detailed on the expense report and substantiated by applicable receipts. (Loose receipts submitted without supervisor approval or an expense report will be returned to the employee for correction.) The completed and signed expense report form with the required documentation and receipts should be forwarded to the Finance Department for reimbursement. By signing an expense report form you are representing to FTS that the expenditures incurred are in accordance with this policy.

MILEAGE/EXPENSE REIMBURSEMENT SCHEDULE

Mileage and expense reimbursements are processed exactly seven (7) days from the scheduled payday for which they were submitted. All mileage and expense reimbursements must be submitted to the Finance Department no later than two (2) days prior to the scheduled processing date. Mileage and expense reimbursements received late will be held and processed on the next scheduled processing date. Employees are expected to submit mileage and expense reimbursements within two weeks of the occurrence.

Pay Procedures

Employees will be paid on a bi-monthly basis. Paydays are on the 5th (pays 16th-last day of the month) and 20th (pays 1st 15th) of each month. If the regular payday occurs on a Saturday, Sunday, or a holiday, employees will be paid on the Friday before the regular payday.

FTS pays by check or direct deposit on a regular basis and in a manner so that the amount, method, and timing of wage payments comply with any applicable laws or regulations. Any changes to direct deposit should be submitted to the Human Resource Department.

In addition to a check or deposit advice (paycheck stub), a statement showing gross pay, deductions, and net pay will be provided for each payday to employees sent to their FTS e-mail address. To open the document, the employee should enter

(all lowercase) the first four letters of their last name, and last four digits of their social security number.

Local, state, federal, and Social Security taxes will be deducted automatically. No other deductions will be made unless required or allowed by law, contract, or employee obligation. Employees may elect to have additional voluntary deductions taken from their pay by authorizing the deductions in writing and submitting them to the Human Resource Department.

FTS makes every effort to ensure employees are paid correctly. Employees who discover a mistake in their paycheck, lose their paycheck, or have it stolen should notify the Finance Department immediately. In the case of a mistake, the error will be remedied promptly. In the case of loss or theft, the Finance Department will attempt to stop payment on the check and reissue a new one to the employee. However, the employee is solely responsible for the monetary loss, and FTS will not be responsible for the loss or theft of a check if it cannot stop payment on the check.

GARNISHMENT OF WAGES

FTS must adhere to court-ordered deductions from your paycheck. Employees will be notified by the Human Resource Department should any such orders be received. FTS must make appropriate deductions from the employee's paycheck as defined by law, pursuant to such orders.

Team Member Suggestion Program

FTS' Team Member Suggestion Program titled, "*Brilliant Brains*," encourages team members to develop suggestions that improve the performance and quality of their work or company procedures while achieving FTS goals and objectives. Those suggestions that identify specific problems and propose suitable solutions to enhance the efficiency and effectiveness of FTS through increased productivity, reduced costs, improved and safer working conditions, opportunities for growth, company morale, conservation of resources and improved service quality to consumers are considered. You can submit your "*Brilliant Brain*" idea to Sandra Lee at slee@flatherapy.com.

AWARD PROGRAM

| AWARD PROGRAM | | |
|---|---|--|
| All approved and implemented suggestions are tracked in a spreadsheet to track how many ideas are submitted by team members | Award will be presented at the end of the year to the team member with the most implemented suggestions | Award will be determined by the Executive Committee at the end of each year. |

Suggestions that cannot be considered for implementation include the following::

- Suggestions that would normally be expected in the performance of the team member's job.
- Suggestions that do not include a solution or plan for improvement.
- Suggestions that duplicate another suggestion under consideration or for which an award previously has been granted.

Conflict of Interest

We are all expected to conduct ourselves with integrity, honesty, and impartiality in order to avoid any conflict between personal interests and the interests of FTS by:

- Graciously declining any offers of money from clients, their families, visitors, and others.
- Not providing, or appearing to provide, payment or other benefits for referrals of clients.
- Not accepting gifts/gratuities offered in exchange for favorable treatment.
- Not using any proprietary or nonpublic information acquired as a result of employment with FTS for personal gain or the gain of another organization.
- Following the Conflict of Interest Policy in reporting any circumstances that could cause a conflict of

interest.

Employee Safety

To assist in providing a safe and healthy work environment for employees, clients and visitors of our offices, FTS has established a workplace safety program. FTS has appointed a Safety Officer to oversee FTS' safety policies and procedures. The Safety Officer for FTS is the Clinical Quality Manager, Drew Hild. Employees should report to the Safety Officer or their supervisor all observed safety and health violations, potentially unsafe conditions, and any accidents resulting in injuries to employees or customers. Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions are encouraged to submit these to the Safety Officer concerning safety and health matters. Management will acknowledge employees whose suggestions are adopted and significantly enhance safety, reduce costs, or increase productivity.

FTS will attempt to maintain the temperature, lighting, and noise level of its facilities at a level that is comfortable for employees and also appropriate for the nature of its operations. Employees should inform their supervisor of any concerns about working conditions.

Ethical Relationships with Clients

FTS wants to ensure that relationships with clients are ethical and in the best interest of the clients and their families. FTS employees may not provide care for clients with whom they have, or have had, a personal or social relationship. In addition, FTS employees may not treat or be involved in the care of family members, which includes parents, siblings, children, grandchildren, aunts, uncles and cousins.

Our clients provide the primary source of FTS' income and each employee's job security. The success of FTS depends upon the quality of the relationships between FTS' employees and our clients and their families, our referral sources, our communities and the general public. Our clients' impression of FTS, and their interest and willingness to refer clients to us is greatly influenced by the people who serve them. In a sense, regardless of your position, you are an FTS ambassador.

Employees should be polite and thoughtful when responding to clients and referral sources. A positive contact with a client or referral source can enhance goodwill, while a negative experience can damage a valuable relationship. The more goodwill you promote, the more our consumers and clients will respect and appreciate you, FTS and FTS' services.

Here are several things you can do to help give clients a good impression of FTS:

- Act professionally and deal with consumers and clients in a courteous and respectful manner
- Communicate pleasantly and respectfully with other employees
- Follow up on requests and questions promptly, provide businesslike replies to inquiries and requests, and perform all duties in an orderly and professional manner.
- Take great pride in your work and enjoy doing your very best.

Employees should be prepared to pay careful attention to client/consumer complaints and deal with them in a helpful, professional manner. If a controversy arises, the employee should explain FTS policy respectfully and clearly. Clients who become unreasonable, abusive, or harassing should be referred to the employee's supervisor if the employee cannot resolve the problem.

Exploitive behavior towards any client is not tolerated, be it sexual, personal, or of a financial nature. FTS employees may not solicit or accept gifts, money (outside regular fees), loans, free business or legal advice, offers of free work, or favors from clients or client's family. FTS employees may not sell items (e.g., crafts, home decor, cosmetics) from a personal business to clients.

It is the responsibility of all FTS employees to report any suspected breach of these guidelines to his/her immediate supervisor. The supervisor shall then report the suspected breach of ethical conduct to the Human Resource Manager, who will conduct an investigation and notify the President of Clinical Operations of the findings. Depending on the

Employees are encouraged to report recurring client-related problems to their supervisor and to make suggestions for changes in FTS policies or procedures to solve problems.

Employee Relationships

FTS desires to avoid misunderstandings, actual or potential conflicts of interest, complaints of favoritism, possible claims of sexual harassment, and the employee morale and dissension problems that can potentially result from romantic relationships involving managerial and supervisory employees in the Company or certain other Employees within the Company.

Accordingly, Managers and Supervisors are forbidden from becoming romantically involved with any employee they supervise or with an employee with whom they have any influence over the terms and conditions of employment. Additionally, all employees, both managerial and non-managerial, are discouraged from becoming romantically or otherwise involved with other employees, when, in the sole opinion of the Company, their personal relationships may create a conflict of interest, cause disruption, create a negative or unprofessional work environment, or present concerns regarding supervision, safety, security or morale.

Any Employee, Supervisor or Manager romantically involved with a fellow Employee or involved in a relationship that is potentially a conflict of interest or otherwise problematic must immediately and fully disclose in writing the relationship to the Human Resources manager or President so that a determination can be made as to whether the relationship presents an actual, perceived or potential conflict of interest. The Company reserves the right to take appropriate action, on a case by-case basis, according to the relevant circumstances, which may include transfer, job reassignment and possibly discharge or resignation. Failure to disclose material facts may lead to disciplinary action, up to, and including termination. If a Manager or Supervisor is romantically involved with an Employee they directly supervise, one of the Employees will need to be reassigned or one employee will need to resign. In the event a decision cannot be made as to which Employee will resign, both Employees must resign from the Company.

All Employees should also remember the Company maintains a strict policy against the unlawful harassment of any kind, including sexual harassment. The company will vigorously enforce this policy consistent with all applicable federal, state and local laws, materials (such as documents, photographs, and music and video files) that are copyrighted, patented, trademarked.

Use of Communication Systems

In your position, you may have access to various equipment and materials belonging to FTS, designed to make your work and services to our clients superior and more productive. Communications services and equipment include mail, electronic mail ("e-mail"), instant messaging, courier services, facsimiles, telephone systems, personal computers, computer networks, on-line services, Internet connections, Intranets, computer files, telex systems, video equipment and tapes, tape recorders and recordings, pagers, cellular phones, voice mail, and bulletin boards.

Most communications services and equipment have toll charges or other usage-related expenses. Employees should be aware of these charges and should consider cost and efficiency needs when choosing the proper vehicle for each business communication. Employees should consult their supervisor if there is a question about the proper mode of communication.

All FTS communications services and equipment, including the messages transmitted or stored by them, are the sole property of FTS. Accordingly, FTS may access and monitor employee communications and files as it considers appropriate. Employees whose telephone communications may be monitored generally will be asked to sign a consent form authorizing the monitoring.

On-line services and the Internet may be accessed only by employees specifically authorized by FTS. Employees must disclose all passwords to the designated FTS computer liaison and their supervisor. Passwords must be protected and must never be shared outside the aforementioned exceptions. Employees' on-line use generally should be limited to work-related activities. In addition, employees should not duplicate or download from the Internet or from an e-mail any

software or other materials (such as documents, photographs, music, and video files) that are copyrighted, patented, trademarked, or otherwise identified as intellectual property without express permission from the owner of the material. When appropriate Internet material or e-mail files are downloaded, they should be scanned using FTS' antivirus software.

Employees should not use e-mail, instant messaging services, facsimiles, cellular telephones, or any other insecure communication system to communicate confidential, proprietary, or trade secret information. FTS communications property or equipment may not be removed from the premises without written authorization from the employee's supervisor.

Employees should ensure that no personal correspondence appears to be an official communication of FTS since employees may be perceived as representatives of FTS and, therefore, damage or create liability for FTS. All outgoing messages, whether by mail, facsimile, e-mail, Internet transmission, or any other means, should be accurate, appropriate, and work-related. Employees may not use the FTS address for receiving personal mail or use FTS stationery or postage for personal letters. In addition, personalized FTS stationery and business cards may be issued only by FTS.

Improper use of FTS communications services and equipment will result in discipline, up to and including termination. Improper use includes any misuse as described in this policy, any misuse that would result in violations of other FTS policies, as well as any harassing, offensive, demeaning, insulting, defaming, intimidating, sexually suggestive, or otherwise inappropriate written, recorded, or electronically retrieved or transmitted communications (including Web sites).

E-MAIL SIGNATURES

All employees have access to company e-mail and a flatherapy.com domain e-mail for their inbox. E-mail should be checked ongoing daily, as this is the main form of communication for FTS. E-mail signatures for an employee's outgoing e-mail are required, and a standard, consistent and clean e-mail signature presents a professional appearance of FTS. The standard e-mail signature should appear as follows:

John Employee
Administrative Assistant, Corporate Office
Florida Therapy Services, Inc.
123 Walking Street, Anytown, FL 00000 (address optional)
(850) 123-4567, ext. 000
(850) 765-4321 fax
vourennail@flatherapy.com
www.flatherapy.com

This e-mail, including any attached files, may contain confidential and privileged information for the sole use of the intended recipient. Any review, use, distribution, or disclosure by others is strictly prohibited. If you are not the intended recipient (or authorized to receive information for the intended recipient), please contact the sender by reply e-mail and delete all copies of this message.

Nothing else should go below the confidentiality statement including, but not limited to graphics, quotes, photos, etc. Special exceptions to this rule should be requested through the Human Resource Department.

PERSONAL CELL PHONES

Employees must keep use of personal cell phones or other personal handheld communication devices to a minimum so that its use does not interfere with the employee's work or FTS' operations. Personal conversations on your phone are a distraction to others, so if you must accept a personal call at work, please go to a private area so as not to disrupt the flow of work. **Cell phones should be kept on vibrate or silent at all times.** Personal cell phones at work are a privilege, not a right. Abuse of this policy may result in those privileges being revoked.

Use of FTS Equipment/Property

Generally, the personal use of FTS vehicles, equipment, or tools is prohibited. Please communicate with your supervisor, in the event of an emergency that would precipitate the personal use of FTS equipment.

Long distance telephone calls of a personal nature are not to be made on FTS lines. Emergencies will be handled on a case by case basis.

Personal use of FTS issued credit cards or a vendor charge account is prohibited.

All FTS property must be returned by employees to their supervisor, on or before their last day of work, or at any time as requested by FTS. Employees failing to return agency property or equipment will not receive their final payout of unused accrued PTO hours. Any unauthorized use or theft of FTS equipment/property will result in immediate disciplinary action, up to and including termination.

Employee Theft

The following guidelines are applicable should you become a victim of personal theft while performing work duties:

- Report the theft immediately to your supervisor.
- The choice to report the theft to law enforcement is yours to make.
- FTS assumes no liability for lost, stolen, or damaged property.

Please take adequate precautions in safeguarding your personal belongings and property while at work. It is advisable to avoid having large quantities of money or valuables at work.

FTS will investigate all allegations of employee theft from company and business-related property. If there is a reasonable belief that a theft may have occurred, the company will contact the police or appropriate law enforcement authorities. FTS will aggressively pursue criminal charges against employees for theft. FTS will also initiate a civil action for damages and/or restitution or any other action as necessary.

Employees are encouraged to immediately report employee theft and unauthorized possession of property. Activity may be reported to an employee's immediate supervisor, the Human Resource Department or anonymously.

No Solicitation/No Distribution Policy

FTS limits solicitation and distribution on its premises because those activities have the potential to interfere with its normal operations, reduce employee efficiency, annoy clients and visitors, and pose a threat to security.

FTS team members are **strictly prohibited** from soliciting funds, assistance, and/or material items on behalf of FTS clients. Any exceptions to this policy will require the written consent of the Executive Committee. Violation of this policy may result in disciplinary action up to and including termination.

The FTS Executive Committee may authorize a limited number of fund drives on behalf of a charitable organization (such as the American Heart Association) or for employee assistance. Employees may volunteer or contribute if they wish. Under no circumstances will an employee be mandated or coerced to participate.

FTS maintains various communication systems to communicate FTS information to employees and to disseminate or post notices required by law. These communication systems (including bulletin boards, electronic mail, voice mail, facsimile machines, and computers) are for business use only and may not be used for employee solicitation or distribution of literature. In particular, bulletin boards are for the posting of FTS information and notices only, and only persons designated by the Human Resource Manager may place notices on or take down material from the bulletin board. The unauthorized use of the communication systems or the distribution or posting of notices, photographs, or other materials

on any FTS property is prohibited.

Productive Work Environment

FTS promotes a productive work environment and does not tolerate verbal or physical conduct by any employee that harasses, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment.

We are all expected to maintain a productive work environment that is free from harassing or disruptive activity, in accordance with Title VII of the Civil Rights Act of 1964. No form of harassment will be tolerated, including harassment for the following reasons: race, national origin, religion, disability, medical condition, color, ancestry, marital status, sexual orientation, age, military status, physical appearance, or gender.

HARASSMENT

Harassment includes, but it is not limited to:

- Unwanted physical contact or conduct of any kind, including sexual flirtations, touching, advances, or propositions;
- Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references;
- Demeaning, insulting, intimidating, or sexually suggestive comments about an individual;
- The display in the workplace of demeaning, insulting, intimidating, or sexually suggestive objects, pictures, or photographs;
- Demeaning, insulting, intimidating, or sexually suggestive written, recorded, or electronically transmitted messages (such as email, instant messaging, and Internet materials).

Any employee who feels that he/she has been the subject of harassment (or who has reason to believe that someone else has been the subject of harassment) has the obligation to notify the Human Resource Manager or his/her supervisor immediately. Employees are required to cooperate in any investigation. Complaints of harassment will be handled and investigated under FTS' conflict resolution policy unless special procedures are considered appropriate. All complaints will be investigated promptly and in as impartial and confidential a manner as possible. Every effort will be made to seek a timely resolution of each complaint.

This policy applies to all employees. It covers harassment by employees of FTS, (including supervisors and management), independent contractors of FTS, patients, or other third parties with whom FTS has business dealings. Anyone who is found to have violated the harassment policy will be subject to appropriate disciplinary action, up to and including termination.

FTS prohibits any form of retaliation against employees for bringing bona fide complaints or providing information about harassment based upon an honest perception of the events or for cooperating in the investigation of a complaint.

WORKPLACE VIOLENCE PREVENTION

FTS strives to provide a safe workplace for all team members. To reduce the risk of violence and maintain a safe work environment, all employees are required to adhere to the standards of this policy.

All employees must be treated with courtesy and respect at all times. FTS does not tolerate any type of workplace violence committed by or against employees. Employees are prohibited from making threats or engaging in violent activities.

This list of behaviors, while not inclusive, provides examples of conduct that is prohibited.

- Causing physical injury to another person
- Making threatening remarks, even in jest
- Aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another

individual to emotional distress

- Stalking
- Intentionally damaging employer property or property of another employee
- Possession of a weapon while inside an FTS facility
- Committed acts motivated by, or related to, sexual harassment or domestic violence

Threats, threatening conduct, or any other acts of aggression or violence in the workplace will not be tolerated. Any employee determined to have committed such acts will be subject to disciplinary action, up to and including termination.

All persons engaged in violent acts on the employer's premises will be reported to the proper authorities and fully prosecuted.

All potentially dangerous situations must be reported immediately to a supervisor or the Human Resource Department. Reports can be made anonymously and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately and information will be disclosed to others only on a "need to know" basis. FTS will actively intervene at any indication of a possibly hostile or violent situation.

While employees are not expected to be skilled at identifying potentially dangerous persons, employees are expected to exercise good judgment and inform the Human Resource Department immediately if any employee exhibits behavior that could be a sign of a potentially dangerous situation. Such behavior includes, but is not limited to:

- Discussing weapons or bringing them into the offices of FTS
- Displaying overt signs of extreme stress, resentment, hostility or anger
- Making threatening remarks
- Sudden or significant deterioration of performance
- Displaying irrational or inappropriate behavior

Employees who encounter an armed or dangerous person should not attempt to challenge or disarm the individual. Employees should remain calm and dial **9-1-1**.

WORKPLACE BULLYING

FTS defines bullying as *"inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment."*

Such behavior violates FTS' Code of Ethics, which clearly states that all employees will be treated with dignity and respect.

Bullying may be intentional or unintentional, but it is the effect of the behavior upon the individual which is important. FTS considers the following types of behavior examples, including but not limited to, instances of bullying:

- **Verbal Bullying:** slandering, ridiculing or maligning a person or his/her family; persistent name calling which is hurtful, insulting or humiliating; using a person as butt of jokes; abusive and offensive remarks.
- **Physical Bullying:** pushing; shoving; kicking; poking; tripping; assault, or threat of physical assault; damage to a person's work area or property
- **Gesture Bullying:** non-verbal threatening gestures, glances which can convey threatening messages
- **Exclusion:** socially or physically excluding or disregarding a person in work-related activities

Any employee who feels that he/she has been the subject of workplace bullying has the obligation to notify the Human Resource Manager or his/her supervisor immediately. Employees are required to cooperate in any investigation.

Complaints of workplace bullying will be handled and investigated under FTS' conflict resolution policy unless special procedures are considered appropriate. All complaints will be investigated promptly and in as impartial and confidential a manner as possible. Every effort will be made to seek a timely resolution of each complaint.

DOMESTIC VIOLENCE AND THE WORKPLACE

FTS recognizes the impact of domestic violence on its employees and the workplace. FTS is committed to heightening awareness of domestic violence and providing guidance for employees and management to address the occurrence of domestic violence and its effects on the workplace.

Domestic violence is defined by FTS, (and the state of Florida) when one intimate partner uses physical violence, coercion, threats, intimidation, isolation, and/or emotional, sexual, and economic abuse to maintain power and control over the other intimate partner.

When appropriate, FTS will attempt to make available appropriate information, referrals and resources to victims and other team members. FTS encourages victims to contact community agencies for resources and referrals. Many agencies provide free services for safety planning, counseling, support groups, shelter and legal assistance.

LOCAL AND NATIONAL RESOURCES FOR DOMESTIC VIOLENCE ASSISTANCE

Salvation Army Domestic Violence and Rape Crisis Program (Bay and surrounding counties) 800-252-2597

[HTTP://WWW.USS.SALVATIONARMY.ORG/USS/WWW_USS_PANAMA.NSF/VW-TEXT-INDEX/17362EE0c1A9BF1880257334007691BA?oPENDocumENT](http://www.uss.salvationarmy.org/uss/www_uss_panama.nsf/vw-text-index/17362EE0c1A9BF1880257334007691BA?oPENDocumENT)

Refuge House, Inc. (Leon and surrounding counties)
850-681-2111

[WWW.REFUGEHOUSE.ORG](http://www.refugehouse.org)

National Domestic Violence
Hotline 800-799-SAFE (7233)

[WWW.NDVH.ORG](http://www.ndvh.org)

FTS is aware that domestic violence victims may have performance problems such as chronic absenteeism, tardiness or lower productivity as a result. Reasonable attempts will be made by FTS to address and resolve these issues.

TEMPORARY OR PERMANENT PROTECTIVE/RESTRAINING ORDERS

Anyone who obtains a temporary or permanent order of protection from a court, which lists FTS locations as protected areas, must provide the Human Resource Department with a copy of the petition and court order. In addition, the team member must provide the following information of the alleged abuser: photograph or physical description, description of automobile and license plate number and any other information necessary to maintain safety in the workplace.

Tobacco Free Workplace

FTS supports the concept of a tobacco free (clean air) environment. Accordingly, tobacco use—including but not limited to cigarettes, cigars, smokeless tobacco, etc. is restricted at all of its facilities.

Tobacco use is prohibited inside all FTS facilities, and also outside, except for designated areas at least 50 feet away from entrances to all FTS facilities. The tobacco-free policy applies to employees during working time and to clients and visitors while on FTS' premises.

Employees are expected to exercise common courtesy and to respect the needs and sensitivities of coworkers with regard to the tobacco-free policy. Smokers have a special obligation to keep smoking areas litter-free and not to abuse break and work rules.

Drug-Free Workplace

FTS is committed to maintaining a healthy and productive workplace and safe working conditions free from the effects of drugs. FTS will not allow the safety of our employees or the safety and service of our clients to be compromised by the actions of persons who insist on using or abusing any drugs illegally and/or report for work having consumed illegal drugs, controlled substances, narcotics or alcoholic beverages.

Employees who think they may have an alcohol or drug usage problem are urged to voluntarily seek confidential assistance from the support programs listed below. Employees may be given the option to seek assistance and thereby put off consideration of termination or other disciplinary action pending the results of such assistance. Employees who undergo these services and continue to work must meet all established standards of conduct and job performance.

While FTS will be supportive of those employees who seek help voluntarily, FTS will be equally firm in identifying and disciplining those employees who have work performance related problems and who continue substance abuse even while enrolled in counseling or rehabilitation programs.

Substance Abuse Treatment Locator
800-662-HELP

WWW.FINDTREATMENT.SAMHSA.GOV

Alcoholics Anonymous (AA)
212-870-3400

WWW.AA.ORG

Narcotics Anonymous
818-773-9999

WWW.NA.ORG

Al-Anon
888-4AL-ANON

WWW.AL-ANON.ALATEEN.ORG

National Council on Alcoholism and Drug Dependence
Hotline 800-NCA-CALL

WWW.NCADD.ORG

The legal use of prescribed medication is permitted on the job only if it does not impair an employee's ability perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace. Should a work performance problem or incident occur, disciplinary action may be taken, up to and including termination for failure to make such notification.

Supervisors who have reasonable cause to believe that an employee under their supervision may be impaired by any medicine or prescription medication are to contact Human Resources to arrange for a medical clearance for the employee, if appropriate.

SUSPICION OF USE

When the supervisor of an employee or a member of management staff has reasonable cause to believe an employee is under the influence of alcohol or drugs, that employee shall be ordered by his/her supervisor or any management staff, to

refrain from engaging in further work. If there is a reasonable suspicion that the employee is under the influence of drugs or alcohol, he/she may be ordered by management to submit to investigation and chemical testing.

While different types of drugs produce different physical symptoms or behaviors, there are numerous ways that alcohol or drug misuse affects work behavior—and ultimately job performance and safety. It could be a sign of a drug or alcohol problem if an employee is:

- Arriving late, leaving early and/or often absent
- Unreliable and often away from assigned job
- Careless and repeatedly making mistakes
- Argumentative and uncooperative
- Unwilling or unable to follow directions
- Avoiding responsibilities
- Making excuses that are unbelievable or placing blame elsewhere
- Taking unnecessary risks by ignoring safety and health procedures
- Frequently involved in mishaps and accidents or responsible for damage to equipment or property

It is important to note that if an employee displays these signs, it does not necessarily mean he/she has a drug or alcohol problem, but the possibility should not be overlooked. Be willing to risk being wrong. When your safety and that of your coworkers is on the line, it is better to be safe than sorry.

DRUG TESTING PROCEDURES

Drug tests, sample collections, alcohol tests and reporting of results will be done in conformity with FTS' policy and shall be conducted in accordance with the requirements of Florida Statutes, Title X, Chapter 112.0455 Drug-Free Workplace Act.

All tests shall be performed under reasonable and sanitary conditions and in such a manner as to ensure the privacy of the individual being tested. All drug tests will be split specimen tests. All collections will be done by an entity independent of and approved by FTS, and in conformity with Florida Statute, Title X; Chapter 8.

PAYMENT FOR TESTS

Drug and Alcohol tests will be conducted while employees are on FTS time and will be paid for by FTS.

APPEAL PROCESS AND CONTESTING TESTS

All testing results will remain confidential. Employee must sign a consent/release form prior to testing.

As per Florida Statute Title X, Chapter 8, any employee or potential employee will have the right to explain a positive drug or alcohol test. Under the conditions set forth in Title X, Chapter 8, Section K, an employee who has a positive drug test will have five working days from the time of the positive test to submit information to an employer explaining or contesting the test results, and why the results do not constitute a violation of FTS policy. The cost of the second test will be split equally between FTS and the employee.

FTS reserves the right to search, without employee consent, all areas and property in which FTS maintains control with the employee present. If FTS has evidence an employee has illegal drugs on FTS property, law enforcement authorities may be notified.

Disclosure of Benefits

FTS offers various welfare and pension benefits to full-time eligible employees. Information and summaries intended to explain these benefit plans will be furnished to all plan participants and beneficiaries on a timely and continuing basis. FTS reserves the right to modify, amend, or terminate its welfare and pension benefits as they apply to all current, former, and retired employees.

FTS offers certain benefits to full-time eligible employees, including health, dental, life, and disability insurance and retirement plans. Eligibility will depend upon the specific requirements of each benefit plan. FTS also provides a number of other benefits such as leaves of absence, paid time off, and holidays to full-time employees.

All benefits provided by FTS are described in official documents that are kept on file in the Human Resource Department. These documents are available for examination by any plan participant or beneficiary. In addition, these documents are the only official and binding materials concerning FTS benefits. All summaries and communications, both written and verbal, must refer to these documents as binding in cases of questions or conflicts.

The Human Resource Manager serves as Administrator of FTS' benefits plans. The Administrator for each plan is responsible for all communications and disclosures concerning company benefits and for compliance with all applicable laws and regulations and is available to answer questions concerning the benefit plans.

Under certain FTS insurance and retirement plans, each full-time employee must designate a beneficiary for the employee's death benefits. The designation must be made in writing and in a form acceptable to the Administrator. It is the employee's responsibility to maintain the proper beneficiary designations and to alert the Administrator to any changes in status affecting eligibility or designations.

FTS Cafeteria (Section 125) Plan

FTS offers a premium only plan or Section 125 Plan under the Internal Revenue Code. This plan allows full-time employees to pay no income tax or social security tax on the amount of premiums paid through payroll deduction for medical, dental, vision, life, and accidental death and dismemberment (AD&D) benefits. This plan does not increase or decrease your premiums and does not affect your group insurance coverage in any way. It is simply a legal way for you to keep tax dollars in your paycheck throughout the year. During the benefit enrollment period the Section 125 election is given unless specifically waived by the employee. Employees should contact the Human Resource Department for a full description of the benefits and limitations of the plan.

Health Insurance

Health insurance is available to full-time eligible employees. Eligibility requirements are outlined in the *Introductory Employment Period* section of this handbook. Eligible employees who elect coverage are enrolled in the group plan on the first day of the month following sixty (60) days of employment. A portion of the premium cost for individual and dependent coverage is paid by FTS.

Your insurance will terminate on the first day of the month after which your employment ends or a qualifying event takes place. You will be eligible to continue your coverage through COBRA (Consolidated Omnibus Budget Reconciliation Act).

Please notify the Human Resource Manager in writing of any qualifying events, such as a divorce, legal separation or a child losing dependent status under any of our group health plans. This notice needs to be made within 30 days of the date of the qualifying event that would cause loss of coverage. Also, please notify the Human Resource Department as soon as possible if you changed marital status, your spouse or any covered child is at a different address or eligible covered dependent has changed address.

Group insurance is an employee benefit in which an employee is not required to enroll. There will be no increase in wages if an employee waives coverage.

Employees may obtain detailed information about participation in our group health insurance plans from the Human Resource Department.

Dental Insurance

FTS offers a group dental insurance plan to full-time eligible employees. Eligibility requirements are outlined in the *Introductory Employment Period* Section of this handbook. Eligible employees who elect coverage are enrolled in the plan upon hire and coverage begins on the first day of the month following sixty (60) days of employment. Premiums for dental coverage are the sole responsibility of the employee. The premium rates are determined by the group carrier and the number of dependents covered under the plan. Employees should contact the Human Resource Department for

further information and current rates.

Your insurance will terminate on the first day of the month after which your employment ends or a qualifying event takes place. You will be eligible to continue your coverage through COBRA.

Vision Insurance

FTS offers a group vision insurance plan to full-time eligible employees. Eligibility requirements are outlined in the *Introductory Employment Period* Section of this handbook. Eligible employees who elect coverage are enrolled in the plan upon hire and coverage begins on the first day of the month following sixty (60) days of employment. Premiums for vision coverage are the sole responsibility of the employee. The premium rates are determined by the group carrier and the number of dependents covered under the plan. Employees should contact the Human Resource Department for further information and current rates.

Your insurance will terminate on the first day of the month after which your employment ends or a qualifying event takes place. You will be eligible to continue your coverage through COBRA.

Life and Disability Insurance

FTS provides life insurance as well as Accidental Death and Dismemberment (AD&D) insurance for full time employees at no cost to the employee. Eligibility requirements are outlined in the *Introductory Employment Period* Section. Coverage for each of these insurance plans begins on the first day of the month following sixty (60) days of employment. Changes in beneficiaries of the life insurance policy can be made at any time.

Employees may obtain materials providing further details pertaining to these benefits from the Human Resource Department.

Supplemental Insurance

FTS offers supplemental insurance to allow eligible employees to choose the type of insurance that best suits their needs. This is an employee-purchased benefit that includes choices of term life insurance, disability, accident, cancer, critical illness and hospital confinement. Coverage is also available for your spouse and children with most products. All premiums are paid by the employee through payroll deductions. Coverage for each of these insurance plans begins on the first day of the month following sixty (60) days of employment.

Employees may obtain materials providing further details pertaining to these benefits from the Human Resource Department.

Retirement Benefits

401K PLAN

This voluntary program offers eligible employees an opportunity to save for your retirement using pre-tax dollars. Employees may begin making voluntary contributions after one full year of employment. Matching will be determined on an annual basis, dependent upon the profitability of the corporation. Employees need a minimum of at least six months of service with FTS, must be 21 years of age and complete at least 1,000 hours of service with the company in the first year and every year thereafter to maintain eligibility.

Upon completion of six years of eligible service, you become 100% vested in the amounts contributed by FTS. You are always 100% vested in any contributions you make to the plan. Open enrollment for the 401k plan is held quarterly. Information will be disseminated from the Human Resource Manager during the enrollment periods to eligible employees of the plan.

Workers' Compensation

Workers' compensation benefits are available for all employees who experience a work-related injury or illness. It is important that you immediately report any work-related injury or illness to your supervisor as soon as possible. After informing your supervisor, medical attention will be provided, if necessary. A Work Injury Report must be filled out,

no matter how minor, as soon as possible by the injured employee and any other employee(s) involved in or witnessing the accident/injury. You should inform the Human Resource Manager of your injury immediately and return the Work Injury Report Form no later than 24 hours after an injury.

All vehicle accidents involving agency vehicles or personal vehicles used during business travel must be reported to your supervisor and the Human Resource Department. Any employee involved in an accident involving an agency vehicle or personal vehicle during business travel must report the accident to the police.

Workers' compensation insurance provides medical benefits to employees who experience a work-related injury or illness. Except in emergencies, medical attention must be provided by the medical provider designated by FTS. If you do not obtain medical treatment from a designated medical provider, you may be responsible for any medical claims.

Cash (indemnity) benefits are available to employees to replace a portion of wages lost as a result of a work-related injury. You may be eligible to receive cash benefits if you are out of work for more than seven calendar days on the advice of your approved medical provider. Cash benefits will begin on the eighth day. The workers' compensation insurance will pay for the first seven days only if you are out of work for more than 21 days due to a work-related injury. These days do not have to be continuous calendar days. FTS will allow an injured employee on workers' compensation to draw from available paid time off to cover the difference in the amount between the workers' compensation indemnity benefit and the employee's full compensation. The employee must specifically request this in writing to FTS.

Reinstatement of Health Benefits

FTS offers the reinstatement of health benefits for full-time employees who have exhausted their paid time off and are unable to return to work with or without a reasonable accommodation or have returned from a disability leave and "Other" leave (as defined the Leave of Absence section) or as a result of a reduction in force.

Employees who have exhausted their paid time off and are unable to return to work may have their benefits reinstated effective the first of the month following their date of return to regular full-time status.

Employees who have returned from a disability leave of absence may have their benefits reinstated effective the first of the month following their date of return to regular full-time status.

Employees, who have returned from "other" leave of absence within 90 days of the effective date of the leave, may have their benefits reinstated effective the first of the month following their date of return to regular full-time status.

Employees who have experienced a reduction in force and have been recalled within 30 days, benefits may be reinstated with no lapse in coverage. Employees, who have been recalled to regular full-time status after 30 days, but within 90 days, may have benefits reinstated effective the first of the month following their date of return. However, employees recalled after 90 days will be subject to the eligibility period as outlined in the employee handbook for the eligibility of new hire employees.

Upon return to regular full-time status from circumstances outlined above, it will be the employee's responsibility to notify the Human Resource Department in writing of their intent to reinstate their health benefits. The employee will have 30 days from the date of the qualifying event (date of return) to notify Human Resource of their intent to elect benefit reinstatement.

COBRA (CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT)

COBRA, is a federal law (Public Law 99-272, Title X) which requires most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called continuation coverage) at group rates in certain instances where coverage under the plan would otherwise end due to certain qualifying events.

Qualifying events for employees covered under an employer-sponsored group health plan include termination of employment, a reduction in work hours or leave without pay. For a covered spouse, qualifying events include termination of spouse's employment, reduction in spouses' work hours, death of the spouse, divorce, legal separation or spouse become entitled to Medicare. For dependent children, qualifying events include a termination of parent's employment, death of parent, parent's divorce or legal separation, the parent becomes entitled to Medicare or the dependent ceases to be a dependent child under the terms of the benefit plan contract.

When FTS is notified that a qualifying event has occurred, you and your family will in turn be notified of the right to choose continuation coverage. Included in this notice will be information on your rights and responsibilities under this federal law, premium rates and administrative fees and other necessary details. If you have any further questions, please contact the Human Resource Department.

Holidays

FTS will grant holiday time off with pay to all employees who have been awarded full-time regular status. Those non-exempt (hourly) employees who are still within their 90-day introductory period will be able to take the day off, but will take the day off unpaid.

| FTS 2014 Holiday Schedule | | |
|----------------------------------|-------------------|-----------|
| New Year's Day | January 1, 2014 | Wednesday |
| Memorial Day | May 26, 2014 | Monday |
| Independence Day | July 4, 2014 | Friday |
| Labor Day | September 1, 2014 | Monday |
| Thanksgiving Day | November 27, 2014 | Thursday |
| Day after | November 28, 2014 | Friday |
| Christmas Day | December 25, 2014 | Thursday |
| Day after | December 26, 2014 | Friday |

There will be a total of eight scheduled holidays. Please look for the FTS' holiday schedule to be posted at the beginning of each calendar year.

An employee who calls in sick the scheduled workdays before or after an approved holiday or the scheduled workday of the holiday may not receive holiday pay unless the employee submits a doctor's note to the Human Resources Department certifying the need for the absence. If documentation is not received, the employee will not be paid for the holiday and may not use accrued PTO to supplement the lost holiday pay.

Paid Time Off

Paid Time Off (PTO) is to be used for vacation, sick time or personal days as needed

Please refer to the guideline below:

| Employee Leave Classification | Years of Service | Annual Paid Time Off Accrued | Maximum Paid Time Off Accrual |
|-------------------------------|------------------|------------------------------|-------------------------------|
| Full-Time Employee | 1 year | 10 days annually | |
| , | 2 to 3 years | 12 days annually | 2 x annual PTO |
| , | 4 to 7 years | 15 days annually | 2 x annual PTO |
| , | Over 7 years | 20 days annually | 2 x annual PTO |

Regular full-time employees will begin to accrue PTO from their date of hire; however employees may not take accrued PTO until after the successful completion of the 90-day introductory period. Successful completion of the introductory period means the employee receives a satisfactory performance review, is awarded regular full-time status, and continues employment beyond that point. Employees will accrue a proportionate share of their annual PTO each pay period.

The number of PTO hours that can be accrued and available is based on years of service and is explained in the PTO chart.

The maximum PTO accrual permitted is two times the "annual PTO accrual." For example, the maximum PTO accrual is 40 days. When maximum PTO accrual is reached, PTO accrual will stop until the employee utilizes their PTO benefit. When the employee utilizes part of the PTO benefit, the PTO leave time will start accruing again until the PTO leave balance reaches the two times the "annual PTO accrual" maximum. Unused PTO shall be surrendered. For this reason, all employees are encouraged to use their full PTO benefit.

At the completion of one year of service, the accrual rate shall increase to 12 days annually or 4 hours paid time off per pay period.

At the completion of three years of service, the accrual rate shall increase to 15 days annually or 5 hours paid time off per pay period.

At the completion of seven years of service, the accrual rate shall increase to 20 days annually or 6.67 hours paid time off per pay period.

Generally, employees should submit time off plans to their supervisor at least two-four weeks in advance of the requested time off date. PTO can usually be scheduled as requested but at times it may be denied due to work demands or scheduling conflicts. Management reserves the right to designate when some or all time off must be taken. Supervisors are responsible for ensuring adequate employee coverage and should attempt, when feasible, to resolve time off scheduling conflicts based on length of service. However, employees who want to change their plans after the time off schedule has been set lose their seniority consideration.

Employees who think there is a discrepancy in the calculation of their PTO or eligibility may request a review of that calculation by the Human Resource Department. If an employee chooses a PTO period that includes an FTS holiday, the employee may extend the PTO by one day, with approval.

An employee, who resigns with proper notice or is laid off and satisfactorily performs through the end of their notice period, will be paid accrued and unused PTO leave. Payment of accumulated PTO leave will be made at the end of the pay period following final payment of regular wages. All employees are encouraged to take full advantage of their PTO benefit.

An employee will not be paid accrued and unused PTO if the employee is involuntarily separated or an employee who resigns and fails to give at least two weeks notice. However, accrued and unused PTO will be paid if the separation was due to the employee's inability to perform the duties in a promoted or transferred position within the first six months of the promotion or transfer.

Procedure for Requesting Paid Time Off and/or Extension

To request paid time off, a *Request for Time Off Form*, together with any required supporting documentation, should be submitted to your supervisor at least two to four weeks before the date on which your requested leave is to begin, unless the need for a leave is not sufficiently foreseeable to give such notice. In that case, submit the written request and supporting documentation as soon as practical. If the leave is foreseeable, the employee shall make a reasonable effort to schedule any planned leave so as not to unduly disrupt FTS operations. Unplanned absences should be reported to your supervisor using the *Unplanned Absence Form* and turned in to the Human Resource Department

Any leave of absence, or any extension of leave, must be approved by the Human Resource Department. If FTS grants you a leave of absence, your leave will begin on the first workday that you miss as a result of the emergency or other situation requiring the leave. Should you request an extension of your leave of absence, you must furnish your supervisor with a written request for an extension before the expiration of the original leave of absence or most recent extension. FTS may request documentation, including certification by a medical doctor (or other appropriate health care provider), of any circumstances requiring leave or extension.

Bereavement Leave

FTS has taken into consideration the personal needs that arise from the death of an immediate family member. You will be allowed leave up to three days with full pay until and including the day of the funeral. Funeral leave pay will not be granted to employees attending a funeral during periods when, for other reasons, they are not at work, such as vacation, holidays, and illness.

Immediate family is understood to include father, mother, spouse/significant other, child, sister, brother, mother-in-law, father-in-law, brother-in-law, sister-in-law, grandparents, or any relative who lives with the employee.

Short-Term Leave of Absence

An absence of more than three consecutive days but less than two workweeks constitutes a short-term leave of absence. Short-term absences due to illness or injury of the employee may require written certification from the health care provider of the ill or injured employee verifying the need for leave is required before returning to work, and documentation may be required for certain shorter absences. Employees returning from a short-term absence must report to their supervisor, and when appropriate, certify they are fit to return to work provided by the attending physician if applicable.

Failure to provide requested certification within 15 days, if such is practicable, may result in delay of further leave until it is provided. Any employee who falsifies the reason for an absence will be subject to disciplinary action, up to and including termination.

Contagious Illness Leave

FTS realizes that employees with contagious temporary illnesses, such as influenza, colds and other viruses need to continue with normal life activities, including working. In deciding whether an employee with an apparently short-term contagious illness may continue to work, FTS considers several factors. The employee must be able to perform normal job duties and meet regular performance standards. In the judgment of the employer, the employee's continued presence must pose no risk to the health of the employee, other employees and patients. If an employee disputes the company's determination that such a risk exists, the employee must submit a statement from his or her attending health care provider that the employee's continued employment poses no risk to the employee, other employees or patients. Contagious illness leave should be used through the company's PTO policy.

All employees are urged to contact Human Resources regarding questions about the possible contagious nature of another employee's temporary illness.

Disability Leave

FTS is committed to complying with all applicable provisions of the Americans With Disabilities Act (ADA). It is FTS policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individuals' disability or perceived disability so long as the employee can perform the essential functions of the job. Consistent with the policy of nondiscrimination, FTS will provide reasonable accommodations to a qualified individual with a disability, as defined by the ADA, who has made FTS aware of his/her disability, provided that such accommodation does not constitute an undue hardship on FTS.

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Human Resources Department. FTS encourages individuals with disabilities to come forward and request reasonable accommodation.

Employees who are absent from work due to a disability (covered under the ADA) will be considered to be on disability leave. Employees may use their PTO time (if available) to cover the leave. Any time used after the exhausted PTO will be considered unpaid. The employee must not engage in outside employment and is expected to avoid activities that may delay recovery and a return to work.

While on disability leave, FTS may require the employee to report periodically on his/her status and the intention of the employee to return to work, and may also require periodic recertification of the medical condition.

Prior to returning to work, the employee must have a fitness for duty certification form completed by a physician confirming that the employee is able to perform the essential functions of the performance with or without reasonable accommodation, and stating what accommodations are needed, if any. This certification must be turned in to the Human Resource Manager prior to returning to work.

Because FTS' operations require that vacant positions be filled, a disability leave of absence cannot guarantee that the position will be available when the employee returns. Every effort may be made to place the employee in his/her previous position or a comparable position that the employee is qualified to perform. If no such position is available, he/she may be eligible for rehire as a new employee if he/she applies for an available position for which he/she is qualified and if his/her prior work history warrants rehire.

Employee Development Leave

In recognition of the mutual benefit to the employee and FTS, outside conference and workshop attendance is encouraged. The employee's participation in training and employee development should be noted in the employee's personnel record. Time off with pay is allowed subject to budget limitations, job demands and supervisor approval.

Jury Duty or Court Witness

While it is the duty of every citizen to serve on a jury when called, FTS recognizes this may also mean the loss of income while away from your job. Employees should notify their supervisor as soon as they are summoned to serve on jury duty or subpoenaed to appear in court (if appearance is related to employment). All employees will be excused from work for jury duty or when subpoenaed as witness in a case related to their employment with FTS.

Employees will be paid regularly at the scheduled pay period; FTS is allowed to deduct an amount equal to juror compensation from your wages if received by the court. All compensation received from the court must be reported to the Human Resource Department immediately upon return. Employees must provide FTS with a copy of the jury duty summons or subpoena at least five (5) working days prior to the day you are required to appear for jury duty or as a court witness.

An employee on jury duty must immediately notify his/her supervisor during each day of jury duty. If released from jury duty during working hours, the employee is expected to report to work.

Time Off to Vote

FTS encourages all employees to vote. It is the policy of FTS to comply with all state election law requirements with respect to providing employees, where necessary, with time off to vote.

If an employee has four consecutive hours either between the opening of the polls in his/her community and the beginning of the workday or between the end of the workday and the closing of the polls, the employee will be deemed to have sufficient time outside his or her normal working hours within which to vote.

Employees requiring working time off to vote will be required to notify their supervisor not more than ten or less than two working days before the day of election when time off to vote will be required.

Other Leaves of Absence

All other leave may be granted as authorized by the President. An employee may be granted an extended leave of absence without pay when supported by sufficient justification. A leave of absence will be granted for an initial period of up to 60 calendar days, and employees may request extensions of up to 30 calendar days.

FTS may continue to make its regular payment to continue to cover the employee under its group health, life and disability insurance plans through the end of the month in which the employee requests leave. Thereafter, employees on leave may continue their benefits under FTS' group insurance plans provided the employee pays the entire monthly premium due during the leave. Employees who wish to continue their insurance coverage should so advise the Human Resource Department before beginning their leave.

Leaves of absence will be without pay except that FTS may require an employee to use an paid days off during the leave; however, the employee will not accrue paid leave days after his/her leave (regardless of the category the leave was classified under when first taken) exceeds one complete pay cycle.

Because FTS' operations require that vacant positions be filled, a leave of absence does not guarantee that the job will be available when the employee returns unless the leave can be categorized under any of the above leave provisions that provide to the contrary. An effort, however, may be made to place the employee in his/her previous position or a comparable position that the employee is qualified to perform. If no such position is available, he/she may be eligible for rehire as a new employee if he/she applies for an available position for which he/she is qualified and if his/her prior work history warrants rehire.

Donation of Paid Time Off

To be eligible for this program, an employee must have successfully completed FTS' introductory period and be classified as a regular full time employee, exhausted all accrued paid time off, and provide a certification from a health care provider that supports the need for leave for the care or comfort of an employee's spouse, sibling, parent (including someone who acted in *loco parentis*), child or due to the employee's own serious health condition and that states the date the serious health condition commenced and its probable duration.

An employee may donate paid time off to another employee who is required to provide care or comfort to a spouse, sibling, parent (including someone who acted in *loco parentis*), or child when a health care provider recommends in writing that such care or comfort is needed and the family member has a serious illness/injury and/or has a life threatening condition. The employee needing to provide care to a family member as described above must provide a medical certification from a health care provider and obtain the approval of the Human Resource Department.

Employees interested in donating hours must complete the PTO Donation form and submit the form to their supervisor. Employees should contact the Human Resource Department to request a PTO Donation form.

There are however, limitations to this donation of leave program. Use of this program will be denied to employees if the certification from the health care provider as described above states the probable duration of the absence is less than five days. Employees can donate a maximum of eight (8) hours; likewise an employee can receive a maximum of forty (40) hours. Donated hours may not be used in conjunction with a worker's compensation injury or illness.

Donations are completely voluntary and no employee may coerce or in any way intimidate another employee to donate leave.

Employment File

It is very important that your records are up-to-date and accurate and to ensure compliance with federal and state regulations. Employees have a responsibility to keep their personnel records up to date and should notify the Human Resource Department in writing of any changes in the following:

- ◆ Name (or name change)
- ◆ Address
- ◆ Telephone number (home or cell)
- ◆ Marital status (for benefits and tax withholding purposes only)
- ◆ Number of dependents (birth, adoption, death)
- ◆ Addresses and telephone numbers of dependents and spouse or former spouse (for insurance purposes only)
- ◆ Beneficiary designations for any of FTS insurance, disability, pension, and profit sharing plans; and
- ◆ Emergency Contact

In addition, employees who have a change in the number of dependents or marital status must complete a new Form W-4 for income tax withholding purposes within ten days of the change and updated Form I-9 for employment eligibility verification.

No private information or personal data about an employee will be shared inside the organization without the consent of the employee and in accordance with applicable law, except with those employees maintaining the data or employees having a legitimate business need. Personnel files are the confidential property of FTS.

Current employees have limited access to their personnel records. If you wish to review your employment file, the request should be made in writing through your supervisor. The employment file will be reviewed in the presence of the Human Resource Manager or designee. If you need to make an addition/correction to the information contained in the record, submit the material to the Human Resource Department for inclusion.

For those programs subject to Florida Statute Chapter 119, Public Records, any request to view an employee file shall be directed to the Human Resource Manager. The review of the personnel file will be conducted in strict accordance with Florida Statute Chapter 119.

EMPLOYMENT VERIFICATION REQUESTS

FTS team members must refer all requests from outside FTS for personnel information concerning applicants, current staff, and past staff to the Human Resource Department. No FTS staff member, including supervisors, may issue a reference letter to any current or former employee without the permission of the Human Resource Department. The Human Resource

Department normally will release personnel information only in writing and only after obtaining the written consent of the individual involved. Exceptions may be made to cooperate with legal, safety, and medical officials who need specific employee information. In addition, exceptions may be made to release limited general information, such as the following:

- (a) Employment dates;
- (b) Position held;
- (c) Location of performance site;
- (d) Salary;
- (e) Eligibility for rehire.

Prospective employers, financial institutions, and residential property managers routinely contact employers requesting information on a former or current employee's work history and salary. All such requests of this type shall be referred to and completed by the Human Resources Department. For written requests, information will be provided on the form provided only when it is accompanied by a former or current employee's signed authorization to release information form. The written form will be returned directly to the requesting party. Telephone requests will be limited to confirming information stated by the external party.

Confidentiality of Employees

The company philosophy is to safeguard personal employee information in its possession to ensure the confidentiality of the information. Additionally, FTS will only collect personal information that is required to pursue its business operations and to comply with government reporting and disclosure requirements.

Personal information collected by FTS may include employee names, addresses, telephone numbers, e-mail addresses, emergency contact information, EEOC data, social security numbers, date of birth, employment eligibility data, benefits plan enrollment information, which may include dependent personal information, and school/college or certification credentials. All pre-employment inquiry information and reference checking records conducted on employees and former employees are maintained in locked, segregated areas in the Human Resource Department.

Personal employee information will be considered confidential and as such will be shared only as required and with those who have a need-to-know access to such information. All hard copy records will be maintained in locked, secure areas with access limited to those who have a need for such access. Personal employee information used in business system applications will be safeguarded under FTS' proprietary electronic transmission and intranet policies and security systems. Participants in company benefit plans should be aware that personal information will be shared with plan providers as required for their claims handling or record-keeping needs.

Company-assigned information, which may include organizational charts, department titles, job titles, department budgets, company coding and recording systems, telephone directories, e-mail lists, company facility or location information and addresses, is considered by the company to be proprietary company information. The company maintains the right to communicate and distribute such company information as it deems necessary to conduct business operations.

If an employee becomes aware of a material breach in maintaining the confidentiality of his/her personal information, the employee should report the incident to the Human Resources Department. The Human Resources Department has the responsibility to investigate the incident and take corrective action. Please be aware that a standard of reasonableness will apply in these circumstances.

Examples of the release of personal employee information that will not be considered a breach include the following:

- Release of partial employee birth dates, i.e., day and month is not considered confidential and will be shared in the company's newsletter and supervisors who elect to recognize employees on such dates.
- Personal telephone numbers or e-mail addresses may be distributed to immediate supervisors in order to facilitate company work schedules or business operations.

- Employee identifier information used in salary or budget planning, review processes and for timekeeping purposes will be shared with immediate supervisors.
- Employee's company anniversary or service recognition information will be distributed to appropriate departments periodically.
- Employee and dependent information may be distributed in accordance with open enrollment processes for periodic benefit plan changes or periodic benefits statement updates.

Degrees, Licenses and Certifications

Employees whose position requires a degree, current license and/or certificate are responsible for maintaining and keeping them in good standing, meaning the license and/or certification is current and valid. An OFFICIAL copy of transcripts and a copy of the diploma certificate are required upon hire for certain qualified positions.

Copies of an employee's original license and/or certification will be maintained in the Human Resource Department. Continued "at will" employment with the company is contingent on many factors, including maintaining valid licensure and/or certification as may be required. It is the employee's responsibility to send Human Resources any valid updates as may be applicable to help ensure FTS has a current and valid license and/or certificate on file at all times. The Human Resource Manager is responsible to verify licenses and/or certification as may be required and will maintain documentation verification in the employee's personnel file.

FTS reserves the right to request and/or verify any license and/or certification at any time and for any reason, with or without notice to employees. Failure to comply with this policy, including employees who provide a falsified and/or "fake" document to FTS will result in termination of "at will" employment.

Compensation

Employee compensation is determined based on many factors including but not limited to: prevailing wage scales in the market place, the employee's (individual) job performance, the employee's attitude and other important factors as established by executive management. Because of our "at-will" employment relationship, FTS makes no promises or guarantees about compensation to employees or promises of pay increases unless the agreement is in writing and signed by the employee's immediate supervisor, Human Resource Manager, and the President.

In addition to an employee's direct compensation, the company currently contributes a significant amount of money towards benefit and insurance programs, as well as other employee recognition programs and events. This is part of the company's overall compensation program and represents a significant financial contribution by the organization.

Employees are asked to maintain and respect their own right to privacy and not discuss their pay and/or benefits with those who do not have a "need to know" for any legitimate reason. Violation of this policy can lead to a written reprimand, suspension and/or termination of employment.

Employees can discuss any questions or concerns regarding their rate of pay and other compensation issues with their immediate supervisor or with the Human Resource Department. Employees who are not satisfied with the results of their compensation review or who have questions about FTS' salary administration and benefits program are encouraged to direct their concerns to their supervisor or the Human Resource Department.

Internal Transfers

FTS strives to promote from within whenever possible. When a vacancy occurs, employees are encouraged to apply for any position for which they are **qualified**. FTS is committed to providing a consistent process for employees to transfer within the agency.

The Human Resource Department will post vacant positions via e-mail, internet, newsletter, website and newspaper. The qualified employee should approach his/her supervisor regarding interest in the position. The next step is for the employee to submit a résumé to the Human Resource Department with a letter of interest.

If an employee is selected for transfer, all applicable documentation must be completed within the Human Resource Department prior to the effective date of transfer.

Employees who are promoted or transferred within FTS must complete an additional introductory period of the same length (90 days) with each reassignment to a new position. In cases of promotions or transfers within the company, an employee who, in the sole judgment of management, is not successful in the new position, may be removed from that position at any time during the additional introductory period. Depending on availability of positions and company needs, the employee may be allowed to return to his/her former job or a comparable job for which the employee is qualified.

Employment of Immediate Family

FTS is family owned and operated. As such, our team is family friendly, thus we are not opposed to hiring immediate family members. However, every effort will be made to ensure that employees are not directly supervised by a family member. Furthermore, employees will not be allowed to make personnel related decisions concerning employed immediate family members. Please disclose to the Human Resource Manager should one of your family members be employed by FTS.

Outside Employment

Full-time employees who seek outside employment (moonlighting) outside normal working hours are required to obtain prior approval in writing from their immediate supervisor. Such prior approval shall not be unreasonably withheld.

It is advisable that you carefully consider the demands that additional work activity will create before requesting permission to seek or accept outside employment. The outside employment must not conflict with FTS' goals and philosophy or adversely affect the company's image. Outside employment cannot involve working for an organization that competes with FTS or does a significant amount of business with FTS, such as major contractors, suppliers or clients.

Outside employment will not be considered an excuse for poor performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours.

Performance Evaluation

The purpose of FTS' performance evaluation system is to improve communication between you and your supervisor regarding work-related performance and to give you a better understanding of what is expected in the performance of job duties.

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal evaluations are ordinarily done upon completion of your introductory employment period (90 days), on completion of your first year and annually thereafter on the anniversary date of your first day of employment. Formal evaluations may also be done at the point of a major change in assignment such as a promotion or transfer.

Your performance evaluation factors include an assessment of your skills and abilities required for your position such as: job knowledge, work quality, attendance/punctuality, initiative, communication/listening, and dependability, as well as further recommendations for training, as applicable. Information derived from the performance appraisal may be considered when making decisions affecting training, pay, promotion, transfer, or continued employment. An evaluation does not necessarily mean an employee will receive an adjustment to his/her compensation.

Once the evaluation has been reviewed by the Human Resources Department, you and your supervisor will meet to discuss the evaluation. You will have the opportunity to examine the evaluation and make written comments concerning any aspect of it. You and supervisor will then sign and date the evaluation and forward it to the Human Resource Department for review and inclusion in your personnel file. Written evaluations will be shared only with the employee and signed by the employee and immediate supervisor. A copy of the evaluation will be given to the employee as well upon request. Any pertinent comments may be recorded on the evaluation by either the employee or the supervisor.

Disciplinary Procedures

At FTS, everyone has to work together as a team, not as opponents, to be successful. If your supervisor believes you are doing your job in a way that adversely affects the rest of the team or the clients, you will get some additional counseling from your supervisor. At that time, employees will have an opportunity to freely discuss your views as well. If there is something we can improve, we want to hear from you so we can possibly change things for the better.

Under normal circumstances, FTS endorses a policy of progressive discipline in which it attempts to provide employees with notice of deficiencies and an opportunity to improve. It does, however, retain the right to administer discipline in any manner it sees fit. This policy does not modify the status of employees as employees-at-will or in any way restrict FTS' right to bypass the disciplinary procedures suggested.

Although both the employee and FTS have the right to terminate employment at-will, FTS may use progressive discipline, when appropriate. Disciplinary action may call for any four steps—verbal warning, written warning, suspension, or termination of employment—depending on the severity of the problem or offense and the number of occurrences, the employee's prior history, and other mitigating circumstances. FTS recognizes there are certain types of employee problems that require immediate termination.

When applying discipline, the steps outlined below will normally be followed for each type of discipline.

VERBAL COUNSELING

The purpose of this step is to correct performance or a behavior problem by bringing it to the employee's attention. A verbal warning is appropriate after informal conversations have failed.

The employee's supervisor should meet and discuss the performance or behavior problem with the employee. The discussion should contain the following:

- 1) Objective, detailed and chronological summary of the problem/infraction
- 2) Specific statement of expected performance
- 3) An opportunity for the employee to explain his/her reasons

The supervisor must document the discussion using the *Employee Record of Verbal Counseling* form. The original documentation of the meeting should be maintained in a confidential file by the supervisor until ready to present to the Human Resource Department.

WRITTEN WARNING OR PROBATION (NOTICE OF CORRECTIVE ACTION)

WRITTEN WARNING

A written warning is generally issued when the expected performance is not met, when the infraction is serious, or when other circumstances suggest a written warning is appropriate.

The employee's supervisor should prepare a written warning prior to meeting with the employee. The written warning should include the following:

- 1) The date of the meeting
- 2) The specific rule violation(s) or performance/behavior problem(s)
- 3) A statement of the specific expectation for improved performance/behavior
- 4) An opportunity for the employee to present his/her views or comments (to be written during the meeting)
- 5) A restatement of prior information discussion (if applicable)
- 6) An explanation of how the problem impacts FTS
- 7) The employee is informed that failure to correct the problem/behavior or that a reoccurrence of the misconduct will result in further disciplinary action, up to and including termination

Due to the serious nature of a written warning, no written warning should be initiated without consultation with the Human Resource Manager. Furthermore, the Human Resource Manager should provide oversight in the written warning

process. The supervisor should submit the written warning to the Human Resource Manager for review and approval prior to discussing the warning with the employee.

Upon approval of the written warning the supervisor, along with the Human Resource Manager when possible, should meet with the employee. The original documentation of the meeting should be forwarded to the Human Resource Department and maintained in the employee's personnel file. A copy of the memo may be given to the employee upon request. Any rebuttals should be included on a separate sheet of paper from the employee and also forwarded to the Human Resource Department.

PROBATION

The employee may be placed on probation for performance deficiencies, behavior problems, or when other circumstances suggest probation is appropriate. The specific problem as well as the length of the probation and necessary corrective action must be documented following the format outlined above. The length of probation should be for a reasonable amount of time, given the corrective action required. When a probation period is interrupted by a leave of absence, the end date of the probation period should be pushed back and the length of the leave of absence attached to the probation period. Employees placed on probation for disciplinary measures or as a result of unsatisfactory performance after successful completion of their introductory employment period are entitled to participate in FTS benefits including paid time off accrual.

The supervisor should prepare the probation document prior to meeting with the employee following the written warning format outlined above.

Due to the serious nature of a probationary status, no probation should be initiated without consultation with the Human Resource Manager. Furthermore, the Human Resource Manager should provide oversight in the process. Prior to any meeting with the employee, the probation decision and notice must be reviewed and approved by the Human Resource Manager.

Upon approval of the probation notice, the supervisor, along with the Human Resource Manager when possible, should meet with the employee. The original documentation of the meeting should be forwarded to the Human Resource Department and maintained in the employee's personnel file. A copy of the memo may be given to the employee upon request. Any rebuttals should be included on a separate sheet of paper from the employee and also forwarded to the Human Resource Department.

At the end of the probationary period, the supervisor will meet with the employee to evaluate his/her performance after consultation with the Human Resource Manager. If appropriate and satisfactory progress has been made, the employee will be removed from the probationary status.

If the employee does not demonstrate immediate and sustained improvement or if additional problems arise during the probation, the supervisor will consult with the Human Resource Manager to determine further disciplinary measures to be taken, including termination of employment.

Note:

- Employees on probation are not eligible for a promotion and must get approval from the current supervisor for a transfer.
- Performance appraisals are not to be issued during probation.

SUSPENSION

SUSPENSION PENDING INVESTIGATION

Suspension may be used at any time when an incident or charge, such as an abuse allegation, requires an investigation to determine the merits of the allegation and when it is determined that the employee's continuous presence in the workplace is not in FTS' best interest. The investigation of the facts surrounding a suspension shall be a priority. Resolution of a suspension should be handled as expediently as possible.

Suspensions are without pay pending the results of the investigation. An employee may not use vacation or sick leave to compensate for loss of wages during this time. If the investigation reveals that serious disciplinary action is not warranted, the employee will be immediately reinstated and the employee will receive regular compensation for the work schedule missed while he/she was removed from the position. If the investigation reveals the employee has engaged in conduct that warrants disciplinary action of either suspension or termination, the employee will not be compensated for time missed from work.

DISCIPLINARY SUSPENSION

A suspension may also be issued when an employee has received prior verbal or written warnings, fails to correct a performance or behavior problem for a serious problem, or when other circumstances suggest suspension is appropriate. If an employee does not make immediate and sustained changes in performance or behavior, termination is generally the next step.

When the disciplinary action is suspension, the employee's supervisor should prepare a written document following the written warning format outline above prior to meeting with the employee.

Due to the serious nature of a disciplinary suspension, no disciplinary suspension should be initiated without consultation with the Human Resource Manager. Furthermore, the Human Resource Manager should provide oversight in the process.

Prior to any meeting with the employee, the written warning must be reviewed and approved by the Human Resource Manager.

Upon approval of the suspension notice, the supervisor, along with the Human Resource Manager when possible, should meet with the employee. The original documentation of the meeting should be forwarded to the Human Resource Department and maintained in the employee's personnel file. A copy of the memo may be given to the employee upon request. Any rebuttals should be included on a separate sheet of paper from the employee and also forwarded to the Human Resources Department.

TERMINATION

For misconduct, when earlier disciplinary actions have not corrected the problem, ongoing unsatisfactory performance, and when other circumstances suggest termination is appropriate, termination may be recommended. Terminations may not be initiated without prior approval from the Human Resource Manager.

Conflict Resolution Procedures

FTS agrees that all employees should have an opportunity to present their work-related complaints and to appeal management decisions through a conflict resolution procedure. FTS strives to ensure fair and honest treatment of all employees. Supervisors, managers and employees are expected to treat each other with mutual respect. Misunderstandings or conflicts can arise in any organization and should be resolved before serious problems develop. Employees are encouraged to offer positive and constructive criticism.

If an employee disagrees with established rules of conduct, policies or procedures, they can express their concerns through the conflict resolution procedure. An appropriate conflict is defined as an employee's expressed dissatisfaction concerning any interpretation or application of a work-related policy by management, supervisors, or other employees. FTS will attempt to resolve promptly all conflicts that are appropriate for handling under this policy.

Employees who believe they have an appropriate conflict should proceed as follows:

Step One

- Employees should initially direct their concerns with their immediate supervisor. If the complaint involves the employee's supervisor, the employee should schedule an appointment with that supervisor to discuss the problem that gave rise to the complaint within five working days of the date the incident occurred.
- The immediate supervisor should respond to the complaint within five days of the meeting held with then complainant employee.

Step Two

- If the discussion with the immediate supervisor does not resolve the problem to the mutual satisfaction of the employee and the supervisor, or if the supervisor does not respond to the complaint, the employee may submit a written complaint to the Human Resource Department to investigate the complaint using the **Employee Grievance Form** (*available in the HR Dept.*). The submission of the written complaint is due within five working days of the response from the immediate supervisor and must include:
 - 1) The problem and the date when the incident occurred
 - 2) Suggestions on ways to resolve the problem
 - 3) A copy of the immediate supervisor's written response or a summary of his or her verbal response and the date when the employee met with the immediate supervisor. (If the supervisor provided no response, the complaint should state this.)
- Upon receipt of the formal complaint, the Human Resource Department must schedule a meeting with the employee within five working days to discuss the complaint. Human Resources may call a meeting with the parties directly involved to facilitate a resolution or may refer complaints to a review committee if Human Resources is of the opinion that the complaint raises serious questions of fact or interpretation of policy. Human Resources may gather further information from involved parties. All involved individuals, other than Human Resources, will be charged with the responsibility of not discussing the situation with any other employee or with the complainant employee. Within approximately five working days after the discussion, the Human Resource Department should issue a decision both in writing and orally to the employee filing the complaint.

Step Three

- If the employee is dissatisfied with the decision of the Human Resource Department, the employee may, within five working days, appeal this decision in writing to the CEO. The CEO will take the necessary steps to review all documentation and investigate the conflict thoroughly and will then issue a written, final, and binding decision in a timely manner of approximately five business days.

Employees will not be penalized for proper use of the conflict resolution procedure; however, it is not considered proper use if an employee raises complaints in bad faith or solely for the purposes of delay or harassment or repeatedly raises meritless disputes. In addition, employees and supervisors are prohibited from retaliating against an employee who properly uses the conflict resolution procedure. FTS may, upon review of the proper use, refuse to proceed with any conflict it determines improper under this policy.

Separation

FTS will not issue final paychecks for employees who resign, are laid off or are terminated until the next regularly scheduled payday. If an employee uses direct deposit, the direct deposit will stop prior to the last paycheck and a paper check will be issued to their home address on file.

All FTS property, including keys or equipment, must be turned in to your supervisor on the final day of work. If all FTS property is not returned by the employee's final day of work, the employee will be responsible for reimbursing FTS, as FTS reserves the right to make a payroll deduction for that property from any final paychecks the employee would be due.

Due to the confidential nature of our services, separated employees, whether voluntary or involuntary, are not permitted to return to FTS facilities for any reason without prior permission from the Human Resource Department. Should a separated

employee have a legitimate reason for returning to the premises, an appointment must be made through the Human Resource Department.

Separated employees enrolled in FTS' medical and dental care plans have the right to continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), at full cost to the employee. A 2% administration charge may be assessed. Employees enrolled in the Life Insurance plan, upon termination of employment, will also have the right to continue their life insurance coverage. Terminated employees should contact the Human Resource Department for more information.

Employees who have left the agency in good standing are eligible for rehire. Termination and discharge procedures are only guidelines and do not create a legal contract between FTS and its employees. FTS reserves the right to implement its policies and procedures as it sees fit. In addition, specified grounds for termination are not all-inclusive since FTS reserves the right to terminate employment for any reason.

VOLUNTARY SEPARATION (RESIGNATION)

FTS requests that employees who wish to amicably leave the employment of FTS give proper written notice for their position. FTS requests that exempt employees give at least four weeks notice prior to resignation, and non-exempt employees give at least two weeks notice prior to resignation. Paid time off and holidays may not be used to satisfy the required notice period. Resignation without proper notice may result in the employee not receiving payout of accrued and unused PTO. The company reserves the right to reduce notice periods where appropriate. Employees are expected to satisfactorily perform their duties during the notice period and failure to do so may lead to disciplinary action, up to and including termination and forfeiture of accrued and unused paid time off.

INVOLUNTARY SEPARATION

TERMINATION

An involuntary separation occurs when the separation is initiated by FTS. The employee will not be paid accrued and unused paid time off, unless the separation was due to the employee's inability to perform the duties in a promoted or transferred position within the first three months of the promotion or transfer or any significant change in an employee's performance duties. Accrued and unused paid time off will not be paid to an employee who is involuntarily separated or an employee who resigns and fails to give adequate notice.

In Closing

In this handbook, we have tried to highlight information you need to know to help you become a superior employee with FTS. If at any time you have questions, please ask your supervisor or the Human Resource Department. We want you to be satisfied with your performance and feel a sense of purpose in service while serving Florida's children and their families.

Again, welcome to FTS. We are pleased you are here and hope you will enjoy your employment with us. Be proud of your affiliation with FTS, as we are proud that you are an integral member of this team.

