

I. INTRODUCTORY STATEMENTS

A. Welcome

Welcome to Slater & Son (the “Company”). This handbook is designed to acquaint employees with the Company, and to provide information about our employment practices. Employees should read, understand, and comply with all provisions of this handbook. However, this handbook is not a contract and does not create any contractual obligations. In addition, no employee handbook can anticipate every circumstance or question about the Company and its policies. Therefore, the Company reserves the right to revise this handbook from time to time, with the exception of its at-will employment policy.

B. At-Will Employment

All employment with the Company is “at-will.” This means that either the employee or the Company can terminate the employment at any time, for any reason or for no reason, with or without advance notice. All employees, whether introductory, regular, or temporary, are at-will employees. Only the Chief Financial Officer has the right to amend this at-will policy. Any amendments must be in writing, and signed by the Chief Financial Officer.

II. RECRUITING AND HIRING POLICIES

A. Equal Employment Opportunity

The Company guarantees every applicant for employment and every employee the right of equal treatment without regard to race, color, sex, age, religion, national origin, sexual preference, handicap, disability status, military or veteran status, domestic violence victim status, or any other status protected by law. This policy includes recruiting, hiring, working conditions, benefits, training programs, promotions, use of Company facilities, and all other terms and conditions of employment.

In recruiting and selecting employees, the Company furthers the principles of equal employment by seeking talented and competent persons who are suited for a specific position by reason of training, experience, character, personality, intelligence and general ability. The Company does not consider an individual’s race, color, sex, age, religion, national origin, sexual preference, handicap, disability status, military or veteran status, domestic violence victim status, or any other protected status in recruiting and selecting employees.

Promotions are based on an employee’s past performance and qualifications to assume additional responsibilities determined without regard to, or consideration of, the individual’s status. The Company takes all personnel actions without regard to an individual’s race, color, sex, age, religion, national origin, sexual preference, handicap, disability status, military or veteran status, domestic violence victim status, gender identity, gender identification, or any other protected status. When necessary under the California Fair Employment and Housing Act and the Americans with Disabilities Act, the Company will reasonably accommodate an employee or applicant with a disability if the employee or applicant is otherwise qualified to safely perform all of the essential functions of the position. The Company will also reasonably accommodate an employee’s pregnancy and related medical conditions to the same extent as it would accommodate

other disabilities. The Company will provide reasonable accommodations regarding workplace safety for an employee or applicant who is a known victim of domestic violence, sexual assault, or stalking, as required by California law.

B. Reasonable Accommodation

The Company is committed to complying with all laws that protect qualified individuals with disabilities and/or medical conditions, and is committed to complying with all laws that protect individuals who are pregnant or have pregnancy- or childbirth-related conditions. The Company will reasonably accommodate the known physical or mental disability and/or medical condition of a qualified individual, provided the requested accommodation does not create an undue hardship for the Company or pose a direct threat to the health or safety of others in the workplace or to the requesting employee. In addition, the Company will reasonably accommodate conditions related to pregnancy, childbirth or related medical conditions, which may include transfer to a less strenuous or hazardous position for the duration of an employee's pregnancy where based on the advice of her physician or where the Company determines such a transfer is necessary.

The Company's goal is to provide equal opportunities to all applicants and employees in the workplace.

Examples of reasonable accommodations include, but are not limited to:

- modifying work equipment or work areas (e.g., providing stools);
- making facilities readily accessible to and usable by disabled individuals (e.g., providing accessible break rooms)
- modifying job duties;
- modifying work schedules;
- reassigning an employee to another task, department position or location;
- allowing assistive animals at the jobsite;
- providing a finite leave of absence (if the employee/employee's healthcare provider requests a leave of absence or if it is determined there is no reasonable accommodation available that will allow an employee to continue working).

This list is not exhaustive. What may be a reasonable accommodation varies depending upon the situation.

Further, in addition to reasonable accommodations provided for disability, medical condition, and/or pregnancy, the Company provides reasonable accommodations consistent with California and federal laws for employees who are breastfeeding and/or have religious beliefs or observances that necessitate accommodation.

Employees must inform their supervisor and the Chief Financial Officer immediately if they believe they need reasonable accommodation for a temporary or permanent disability, medical condition, and/or condition related to pregnancy, childbirth or related medical conditions. Employees must also advise their supervisor and the Chief Financial Officer of any facilities they believe need to be made accessible. If any supervisor becomes aware of an employee's need for reasonable accommodation, he/she should immediately inform the Chief Financial Officer. Requests shall be treated in a confidential manner to the extent possible.

Once the Company is aware of the need for a reasonable accommodation, it will engage in a timely, good-faith interactive process to discuss possible accommodations. This may be done in person or by telephone or video conferencing, or a combination of these means.

During this process, employees must cooperate with the Company and provide requested information, such as a list of restrictions that must be met to accommodate the employee and appropriate documentation from the employee's healthcare provider. In addition, if employees have suggestions for possible accommodations, e.g., job duties or positions the employee might be able to perform, the employee should share that information with the Company. Likewise, the Company will provide the employee with information, such as available vacant positions, that will assist in locating a reasonable accommodation.

The Company may require medical certification to substantiate or clarify an employee's restrictions (including identification of restrictions and anticipated date(s) restrictions will be in place) and reasonable accommodation needs. This certification may include, but is not limited to:

- a list of the employee's restrictions;
- a description of the requested reasonable accommodation;
- the date the need for the reasonable accommodation became/will become medically advisable and/or necessary to continue working;
- the probable duration of the need for reasonable accommodation; and
- a statement that because of the employee's disability, medical condition, or pregnancy, the reasonable accommodation is medically advisable and/or necessary to continue working.

Throughout this process, the Company will work with the employee to determine whether a reasonable accommodation exists that is consistent with the employee's restrictions and is consistent with the Company's obligations under all applicable laws.

The Company will not permit retaliation against employees for requesting reasonable accommodations.

The California Department of Fair Employment and Housing provides additional information regarding reasonable accommodations. Its website is located here: www.dfeh.ca.gov

Specific information for individuals with pregnancy, childbirth, or related conditions is located here: <https://www.dfeh.ca.gov/wp-content/uploads/sites/32/2017/06/DFEH-100-20rv201604.pdf>

III. PRE-EMPLOYMENT POLICIES AND ORIENTATION

A. Employment Applications

The Company relies upon the accuracy of information contained in the employment application and other data presented throughout the hiring and employment process. Any misrepresentation, falsification, or material omission in any of this information or data may result in exclusion of the individual from further consideration for employment, or termination of employment if the person has been hired.

B. Verification of Lawful Work Status

The Company only employs United States citizens and aliens who are authorized to work in the United States. In compliance with the Immigration Reform and Control Act of 1986, each employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility prior to commencement of employment.

IV. CATEGORIES OF EMPLOYMENT

A. Employee Classifications

The Company has three job classifications that determine benefits and eligibility for leaves:

1. Regular Full-time employee. A regular full-time employee is one who is regularly scheduled to work 40 hours or more per week.
2. Regular Part-time employee. A regular part-time employee is one who is regularly scheduled to work less than 40 hours per week.
3. Temporary employee. A temporary employee is one who is hired to fill a short-term position. Temporary employees generally will not be employed for more than six (6) months.

Certain employees are exempt from federal and state wage and hour law, and are not entitled to overtime pay. These employees are referred to as “exempt employees.” Nonexempt employees receive overtime and are required to take certain meal and rest breaks. All employees, regardless of their classification and regardless of whether they have completed their introductory period, are at-will.

V. WORK PERIODS AND COMPENSATION

A. Workday/Work Week

The Company's workday is midnight to 11:59 p.m. and its workweek is midnight Sunday through 11:59 p.m. Saturday. The standard work hours for all regular full-time employees who are nonexempt are 40 hours per week, eight hours per day, exclusive of the meal period.

B. Overtime

The Company pays overtime for nonexempt employees at time and one-half for any hours worked in excess of 40 hours per week or 8 hours per day and for the first 8 hours worked on the seventh consecutive workday of a workweek, and at double time for any hours worked in excess of 12 hours per day or beyond 8 hours on the seventh consecutive workday of a workweek. All overtime must be approved in advance by the employee's supervisor. "Hours worked" means time actually spent on the job. It does not include an unpaid meal period, makeup time, or hours away from work due to vacation, sickness, holiday, jury duty, or other absences from work. Exempt employees are not paid overtime, even if their hours exceed the normal work schedule.

C. Makeup Time

On occasion, a nonexempt employee may ask his or her supervisor for additional time off to attend to personal matters. If the supervisor grants the request, this time off will be without pay. If an employee wishes to make up this missed time, he or she may submit a written request to his or her supervisor *before* the makeup time is worked. It is within the supervisor's discretion to grant the request. Makeup time may be worked in advance of the missed time, but must be worked in the same workweek as the missed time. An employee may not work over 11 hours in one day or over 40 hours total in the week in any week including makeup time.

D. Timecards

Federal and state law requires the Company to keep an accurate record of time worked. The Company uses timecards to record time worked. Employee timecards are official Company records and must be accurately maintained. Punching another employee's timecard or intentionally falsifying a timecard is a serious violation of this policy and may result in immediate termination of employment. If a timecard needs to be corrected, both the employee and the supervisor must initial the change on the timecard to verify its accuracy.

E. Breaks and Meal Periods

Nonexempt employees must take one uninterrupted paid ten-minute rest break for every 4 hours worked or major fraction thereof. Ten-minute breaks cannot be consolidated. A rest break is not provided for employees whose total daily work time is less than three-and-one-half hours. If you work a shift from 3.5 to 6 hours in length, you will be entitled to one 10-minute rest break. If you work between 6 hours and 10 hours, you will be entitled to two 10-minute rest breaks. If you work more than 10 hours and up to 14 hours, you will be entitled to three 10-minute rest breaks, and so on. Rest breaks should generally be taken in the middle of each work period.

Nonexempt employees who work 5 hours or more must take an uninterrupted unpaid 30-minute meal break to begin prior to the start of the employee's fifth hour of work. Nonexempt employees who work 10 hours or more must take a second uninterrupted unpaid 30-minute meal break to begin prior to the start of the employee's tenth hour of work. Employees must log the time they start and finish their meal period(s).

Employees are not permitted to perform any work during rest and meal breaks. Employees may leave the premises during rest and meal breaks. If for any reason an employee is unable to take his or her assigned rest break or meal period, s/he must notify his or her manager immediately.

In addition, employees who work outdoors are eligible to take a "recovery" or "cool down" period to prevent heat illness. A cool down recovery period is a period of no less than 5 minutes when an employee feels he/she needs to rest in shade to protect him/herself from overheating.

If you are a nursing mother who needs to express breast milk during the day, please contact the Chief Financial Officer for information and to make arrangements to accommodate your needs. We will provide a reasonable amount of time to express breast milk during the workday and such breaks may be concurrent with the employee's regular paid rest breaks. Any additional time provided for this purpose will be unpaid time.

F. Payroll Deductions and Wage Attachments and Garnishments

The Company makes certain deductions from every employee's paycheck. Among these are applicable federal, state, and local income taxes, Social Security and Medicare taxes, and state disability insurance and paid family leave contributions. By law, the Company is also required to honor legal attachments and garnishments of an employee's wages or salaries. If an employee's wages are attached, the Company will withhold the specified amount to satisfy the terms of the attachment.

VI. BENEFITS

The Company offers the following health and retirement benefits to eligible employees, after meeting the eligibility requirements of each Plan. More details are available from the Chief Financial Officer. These benefits are subject to change at the discretion of the Company, without prior notice.

Medical Insurance
Dental Insurance
Vision Insurance
401k Retirement Plan.

VII. LEAVES OF ABSENCE

In general, employees who are on an unpaid leave of absence in excess of 30 days for any reason are ineligible for group health benefits. An employee will be considered to be on an unpaid leave of absence unless he or she is being paid by the Company. An employee is on an unpaid leave of absence even if he or she receives pay from the State, such as SDI, Paid Family Leave, or workers' compensation. However, if the law requires that group health benefits continue during the leave,

then the Company will provide those benefits. Employees who are on a paid leave of absence, such as sick leave remain eligible for group health benefits during the portion of their paid leave.

A. Sick Leave

Non-management employees accrue paid sick leave on a per hour basis at the rate of .03334 hours for every 1 hour worked. Management employees accrue paid sick leave on a per hour basis at the rate of 0.03846 hours for every 1 hour worked. Employees may use accrued sick leave after completing 90 days of employment. Sick leave must be taken in increments of no less than one-quarter hour.

An employee may not accrue more than 200 sick leave hours. If an employee accrues this maximum amount of sick leave, the employee will not accrue any further sick leave hours until he or she takes sick leave and falls below the maximum accrual level. Employees may carry over all accrued but unused sick leave to the following year. The Company does not pay accrued but unused sick leave upon termination of employment. However, the Company will restore to the employee any accrued, unused paid sick leave if the employee is rehired within one year of separation.

An employee who is unable to report to work due to illness or injury must provide reasonable advance notice as soon as practicable. The employee must also notify his or her supervisor on each additional day of absence. This notice may be either oral or written. If an employee does not provide the appropriate notice, the employee may be subject to discipline.

An employee may use sick leave for an employee's own or a family member's diagnosis, care or treatment of an existing health condition, or preventative care. For purposes of this Policy, the term "family member" means the employee's spouse or registered domestic partner, child, parent, grandparent, grandchild, or sibling. An employee who is a victim of domestic violence, sexual assault or stalking may also use sick leave to seek aid, treatment or related assistance.

B. Holidays

The Company recognizes the following unpaid holidays each year:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Holidays which fall on a weekday will be observed on the day of the holiday. When a holiday falls on a weekend, the Company may, at its discretion, declare the preceding or following weekday as a paid holiday.

C. Pregnancy Disability Leave and Accommodation

1. Pregnancy Disability Leave

a. Eligibility and Terms of Leave.

Female employees are entitled to a disability leave during the time they are disabled due to pregnancy, childbirth or related medical conditions. This leave will be for the period of disability, up to four months per pregnancy. An employee is “disabled by pregnancy” if she is unable because of pregnancy to work at all, or is unable to perform the essential functions of her job, or to perform these functions without undue risk to the employee, to successful completion of her pregnancy, or to other persons.

Leave may be taken intermittently or on a reduced work schedule when medically advisable, as determined by an employee’s health care provider. If an employee needs intermittent leave or leave on a reduced schedule, the Company may require her to transfer, during the period of the intermittent or reduced schedule leave, to an available alternative position for which she is qualified and which better accommodates her recurring periods of leave. Transfer to an alternative position may include altering an existing job to accommodate better the employee’s need for intermittent leave or a reduced work schedule.

b. Applying for Leave.

An employee, if possible, should give at least 30 days’ notice requesting a pregnancy-related leave. This notice must provide and include the expected date on which the leave will begin, written certification from the employee’s health care provider stating the anticipated delivery date and the duration of the leave.

c. Return to Work.

Before returning to work, the employee must provide a release from her health care provider certifying that she is able to safely perform all of the essential functions of her position with or without reasonable accommodation. The Company will reinstate the employee to her position unless:

- (i) The employee’s job has ceased to exist for legitimate business reasons;
- (ii) The employee has directly or indirectly indicated her intention not to return;
- (iii) The employee is no longer able to perform the essential functions of the job with or without reasonable accommodation;
- (iv) The employee has exceeded the length of the approved leave; or
- (v) The employee is no longer qualified for the job.

If the Company cannot reinstate the employee to the position she held before the pregnancy disability leave began, the Company will offer the employee a comparable position, provided that a comparable position exists and is available within sixty (60) calendar days of the employee’s

scheduled reinstatement date, and provided that filling the available position would not substantially undermine the Company's ability to operate safely and efficiently.

d. Integration with Other Benefits.

A pregnancy disability leave is unpaid, but employees will use their accrued sick leave during the leave. Sick leave will supplement any State Disability or Paid Family Leave Insurance benefits. The Company will maintain group health benefits during a pregnancy disability leave as required by law. No additional sick leave will accrue during the unpaid portion of the leave.

2. Reasonable Accommodation.

It is the Company's policy to reasonably accommodate an employee's pregnancy and related medical conditions and as required by law. Reasonable accommodation can include, but is not limited to, changing job duties or work hours, providing leave, relocating the work area, and/or providing mechanical or electrical aids. As an accommodation, and with the advice of her physician, an employee can request transfer to a less strenuous or hazardous position for the duration of her pregnancy. The Company will engage in an interactive process with the employee to identify possible effective accommodations, if any, and will make reasonable accommodations.

The Company may require employees to obtain a certification from their health care provider of the medical advisability for a reasonable accommodation. If required, the certification shall include:

- a. The date the reasonable accommodation became medically advisable;
- b. The probable duration of the period or periods of the reasonable accommodation; and
- c. An explanatory statement that, due to the woman's pregnancy, the reasonable accommodation is medically advisable.

D. Workers' Compensation Leave

An employee must report all accidents, injuries and illnesses occurring on the job, no matter how small, to his or her supervisor. The Company carries workers' compensation insurance coverage to protect employees who are injured on the job. If an employee is injured at work and is temporarily unable to perform his or her usual and customary work, the employee will be eligible to receive workers' compensation benefits. The employee must provide the Company with the certification from a recognized medical professional confirming the necessity of the leave within 14 days after the leave begins.

The leave will continue until (1) a recognized medical professional certifies that the employee is capable of resuming all of the duties of the employee's former position, with or without reasonable accommodation; (2) a recognized medical professional certifies that the employee is permanently precluded from returning to work in his or her prior position or performing some portion of his or her prior job (i.e., the medical condition is permanent and stationary); (3) the employee resigns, quits, accepts employment with another business, refuses to return to work after being released for

full or partial work, or otherwise indicates that he or she is not going to return to work; or (4) one year has passed and the employee is still not able to return to work in his or her prior position.

An employee on a workers' compensation leave which exceeds 30 days must update the Company on at least a monthly basis and provide information concerning his or her health status, anticipated date of return to work and continued intent to return to work. IF AN EMPLOYEE DOES NOT COMPLY WITH THIS REPORTING REQUIREMENT, THE COMPANY MAY TERMINATE THE EMPLOYMENT. Workers' compensation disability leave is unpaid, but an employee may apply accrued sick leave to the workers' compensation disability leave. Accrued sick leave pay will supplement any workers' compensation or other wage benefits the employee receives. The Company will maintain an employee's group health benefits during the period of leave as may be required by law.

An employee may return to work only after he or she provides the Company with a release to work from the employee's physician. If the employee has been released without limitation, or is capable of performing the essential functions of his or her job with reasonable accommodation, the employee will be offered the same position he or she held prior to the leave, unless that job no longer exists or has been filled in order for the Company to operate safely and efficiently. In this event, the employee will be offered a substantially similar position if one is available. If the Company receives medical evidence satisfactory to it that an employee will be permanently unable to resume safely all of the essential functions of his or her job, with or without reasonable accommodation, and if reassignment to a vacant position is not possible, the employee's employment will be terminated.

E. Jury Duty

When an employee receives a jury summons, the employee must notify his or her supervisor as soon as possible and submit a copy of the jury summons. An employee is permitted to take time off for each full or partial working day he or she serves on jury duty. The employee must report to work on days or parts of days when he or she is not required to serve on jury duty. An exempt employee will be paid his or her regular salary during the time the employee serves on jury duty unless the employee does not perform any Company work during an entire week. A nonexempt employee will not be paid for time taken off to serve on jury duty.

F. Time Off for Crime Victims

The Company takes threats and actions of crime against our employees and their families very seriously. If at any time an employee needs to be absent from work because he or she or a family member has been the victim of a serious crime, the employee should contact his or her supervisor or the Chief Financial Officer immediately. An employee may use accrued sick leave in lieu of unpaid time off for these purposes. The employee's privacy will be protected to the greatest extent possible. The Company may ask the employee for certification to confirm the need for time off.

G. Time Off and Accommodation for Victims of Domestic Violence, Sexual Assault or Stalking

Employees who are victims of domestic violence, sexual assault or stalking are eligible for unpaid leave and other accommodations. An employee may request leave if the employee is involved in

a judicial action, such as obtaining restraining orders, or appearing in court to obtain relief to ensure the employee's health, safety, or welfare, or that of the employee's child.

Employees should provide notice and certification of their need to take leave under this Policy. Certification may be sufficiently provided by any of the following:

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

Employees who are victims of domestic violence, sexual assault or stalking and need a reasonable accommodation for their safety at work should contact the Chief Financial Officer to discuss the need for an accommodation. If an employee is requesting such a reasonable accommodation, the employee will need to submit a written statement signed by the employee, or by an individual acting on the employee's behalf, certifying that the accommodation is for the purpose of the employee's safety at work. The Company will engage in an interactive process with the employee to identify possible effective accommodations, if any, and will make reasonable accommodations unless an undue hardship will result.

For reasonable accommodation requests, the Company will also require certification demonstrating that the employee is the victim of domestic violence, sexual assault or stalking. Any of the forms of certification described above for leave purposes will suffice. The Company may request recertification every six months from the date of the previous certification. Employees should notify the Company if an approved accommodation is no longer needed.

The Company will, to the extent allowed by law, maintain the confidentiality of an employee requesting leave or accommodation under these provisions.

H. State Disability and Paid Family Leave Disability Benefits

For certain absences, the State of California will pay State Disability Insurance ("SDI") or Paid Family Leave ("PFL") benefits. The Company does not pay SDI and PFL. SDI applies to leaves taken due to the employee's own illness. PFL applies to qualifying leaves taken due to illnesses of the employee's family member (child, parent, spouse, domestic partner, grandparent, grandchild, sibling or parent-in-law), as well as bonding with a new child. Unless an employee qualifies for protections under a leave law, such as in the case of pregnancy disability leave, he or she will have no right to continued employment and no right to reinstatement after taking leave.

VIII. PERFORMANCE STANDARDS, DUTIES AND DISCIPLINE

A. Unlawful Harassment, Discrimination and Retaliation

The Company is committed to providing a work environment free of harassment, discrimination and retaliation. The Company therefore prohibits harassment, including sexual harassment, discrimination and retaliation based on race, religion, religious creed, color, national origin, ancestry, physical or mental disability, including HIV and AIDS, medical condition, marital status, sexual orientation, military or veteran status, age, genetic information, sex, gender, gender identity, gender expression, domestic violence victim status, pregnancy, denial of Family Care and Medical Leave or any other basis made unlawful by federal, state or local law or ordinance or regulation. It also prohibits such conduct based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. Such discrimination is unlawful and will not be tolerated. This policy prohibits unlawful harassment of or by any employee of the Company, including supervisors and co-workers. It also extends to vendors, independent contractors and others doing business with the Company.

Unlawful harassment in any form, including verbal, physical and visual conduct, threats, demands and retaliation, is prohibited. Sexual harassment is defined by the Fair Employment and Housing Council as “unwanted sexual advances, or visual, verbal or physical conduct of a sexual nature.” Sexual harassment may occur even if the conduct is not motivated by sexual desire. Unlawful harassment includes, but is not limited to:

1. Verbal conduct such as epithets, derogatory comments, slurs, or unwanted sexual advances, invitations, jokes, or comments;
2. Visual conduct such as derogatory posters, photography, cartoons, drawings, or gestures;
3. Physical conduct such as assault (unwanted touching), blocking normal movement, or interfering with work directed at an individual because of his or her sex or any other basis;
4. Threats and demands to submit to sexual requests in order to keep a job or avoid some other loss, and offers of job benefits in return for sexual favors;
5. Retaliation for having reported or threatened to report harassment or discrimination; or
6. Verbal abuse of a sexual nature, graphic verbal commentaries about an individual’s body, sexually degrading words used to describe an individual, and suggestive or obscene letters, notes, or invitations.

If an employee thinks he or she is being harassed, discriminated against, or retaliated against on the job because of gender, race, or other protected basis, or if an employee observes behavior he or she believes to be in violation of this policy, the employee should immediately contact his or her immediate supervisor, the Chief Financial Officer, or any other supervisor with whom the employee feels comfortable. The Company will maintain confidentiality to the extent possible.

The Company will not retaliate against anyone for reporting any incidents of harassment, discrimination or retaliation, for making any complaints of harassment, discrimination or retaliation, or for participating in any investigation.

Supervisors must refer all harassment, discrimination and/or retaliation complaints to the Chief Financial Officer. The Company will immediately cause qualified personnel to undertake a fair, timely, thorough and objective investigation of the harassment allegations and to document and track the complaint and investigation. If an employee has violated this policy, the Company will take remedial action commensurate with the severity of the offense. This may include discipline of the offender, up to and including immediate termination. The Company will also take action to deter any further harassment, discrimination and/or retaliation, and will remedy any loss to the complaining employee resulting from such conduct.

All employees must report any incidents immediately so that complaints can be quickly and fairly resolved. The California Department of Fair Employment and Housing (“DFEH”) and the U.S. Equal Opportunity Commission (“EEOC”) investigate and may prosecute complaints of harassment, discrimination and retaliation. An employee may have a claim of harassment even if he or she has not lost a job related or economic benefit. Whenever an employee thinks he or she has been harassed or discriminated against or that he or she has been retaliated against for resisting or complaining of harassment, discrimination or retaliation, that employee may file a complaint with the DFEH or the EEOC. The nearest DFEH office is listed in the telephone book or can be found online. The Company has a brochure on sexual harassment which is available to all employees for additional information. The Company expects its employees to act in a professional and respectful manner at all times.

In addition, the Company desires to avoid misunderstandings, complaints of favoritism, claims of sexual harassment and employee dissension that may result from personal or social relationships amongst employees. Therefore, the Company asks that if employees become romantically involved with one another they disclose their relationship to an appropriate manager with whom they feel comfortable. The manager should notify the Chief Financial Officer. Please refer to the Company’s policy regarding the employment of friends and relatives for additional information.

B. Business Ethics

The Company expects its employees to act in accordance with the highest standards of business ethics at all times. This includes avoiding the appearance of impropriety. Employees are expected to abide by this policy and comply with all applicable laws while conducting Company business.

C. Employee Conduct

The Company expects its employees to act in a professional and respectful manner at all times. Examples of conduct that may lead to disciplinary action are identified below. However, it is impossible to provide an exhaustive list of types of inappropriate conduct. The following list contains some, but not all, examples of conduct that may lead to discipline, up to and including termination:

Unsatisfactory job performance;

Unexcused absence;
Violation of work rules;
Tardiness;
Unauthorized possession or removal of property;
Use or possession of alcohol or controlled substances and misuse of prescription drugs while at work or appearing for work under the influence of drugs or alcohol;
Failure to observe safety regulations;
Harassment of other employees;
Unprofessional attitude;
Insubordination;
Dishonesty (including falsification of a document or misrepresentations);
Unauthorized possession of firearms, or any dangerous weapons or explosives on Company property;
Disclosure of proprietary information; and
Failing to comply with any policy in this handbook.
Nothing in this policy alters the at-will nature of employment with the Company.

D. Attendance and Punctuality

An employee must report his or her absence from work to the employee's supervisor prior to the start of the shift. All absences will be recorded; excessive absences may, under certain circumstances, be cause for discipline, including termination. Unreported absences of three consecutive workdays will be considered a voluntary termination. If an employee is going to be late, the employee must make every effort to contact his or her supervisor prior to the start of the shift.

E. Outside Employment

An employee may only hold an outside job if the job does not conflict with the interests of the Company or interfere with the employee's ability to adequately perform his or her job with the Company. Employees may not perform outside work or solicit outside business on the Company's premises, or while working on the Company's time. Employees are not permitted to use any Company equipment or property (such as telephones, fax machines, copiers, office supplies or proprietary information) for outside work or business. If the Company determines that an employee's outside work interferes with his or her performance, the employee may be required to terminate the outside employment.

F. Conflicts of Interest

Employees must avoid actual or potential conflicts of interest with the Company. This policy provides examples of prohibited conflicts of interest. An employee who has a conflict of interest with the Company may be subject to discipline, including termination. An employee should contact his or her supervisor with any questions about this policy. Prohibited activities include, but are not limited to:

1. Being an owner, employee, consultant or vendor to any business that competes, directly or indirectly, with the Company.
2. Having a direct or indirect financial relationship with a competitor, donor, or supplier; however, no conflict will exist in the case of ownership of less than 1 percent of a publicly traded corporation.
3. Engaging in any other employment or personal activity during work hours, or using the Company's name, logo, equipment or property, including stationery, office supplies, computers, telephones, fax machines, postage, and office machines, for personal purposes.
4. Soliciting Company employees, suppliers, or donors to purchase goods or services of any kind for non-Company purposes, or to make contributions to any companies or in support of any causes.
5. Soliciting or entering into any business or financial transaction with another employee whom the soliciting employee supervises, either directly or indirectly, such as hiring the employee to perform personal services or soliciting the employee to enter into an investment.

G. Employment of Friends and Relatives

The employment of friends and relatives in the same area of a Company may cause conflicts of interest and appearances of impropriety. In addition, personal conflicts may impact the working relationship of the parties. Although the Company does not prohibit the hiring of friends and relatives of existing employees, the Company is committed to monitoring situations in which friends or relatives work in the same area. In the event of an actual or potential problem, the Company's response may include reassignment or termination of one or both of the individuals involved. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage, or one who is a domestic partner.

The Company desires to avoid misunderstandings, complaints of favoritism, claims of sexual harassment and employee dissension that may result from personal or social relationships amongst employees. Therefore, the Company asks that if employees become romantically involved with one another they disclose their relationship to an appropriate manager with whom they feel comfortable. This information will be kept as confidential as possible. For purposes of this provision, "romantically involved" will be interpreted broadly. The Company reserves the right to take necessary and appropriate action to resolve any potential conflict of interest arising out of romantic involvement among employees. Depending on the facts of the situation, such action may include reassignment or termination of one or both of the employees involved.

H. Confidential Information

During the course of employment with the Company, employees may be given access to confidential and proprietary trade secret information belonging to the Company. The protection

of such information is vital to the interests and the success of the Company. Confidential information includes, but is not limited to, the following:

Any and all donor data, including but not limited to donor lists, preferences, credit history, agreements, and any personally identifiable information related to donors, or their employees, including names, addresses, phone numbers, account numbers and social security numbers;

Any information provided to an employee of the Company by a donor, including but not limited to electronic information, documents, software, and trade secrets;

Historical sales information;

Advertising and marketing materials and strategies;

Financial information related to the Company, its donors, its employees or any other party;

Labor relations strategies;

Research and development strategies and results, including new materials research;

Pending projects and proposals;

Production processes;

Scientific or technological data, formulae and prototypes;

Employee data, including but not limited to any personally identifiable information related to employees such as names, addresses, phone numbers, account numbers, social security numbers, and the compensation of co-workers;

Anything contained in another employee's personnel file;

Individually identifiable health information of other employees, Company donors, or any other party, including but not limited to any information related to a physical or mental health condition, the provision of health care, or any information received from a health care provider, health care plan or related entity;

Pricing and product information;

Computer data information, processes, programs and codes;

Inventory levels and products;

Supplier information and data;

Testing techniques, processes, formulas;

Trade secrets, inventions, discoveries, improvements, specifications;

Data, know-how, and formats;

Marketing and business plans;

Pending projects and proposals;

Technological data, strategies, forecasts, budgets and projections.

All employees shall maintain the confidentiality of this information, and shall not disclose this information in any manner (whether in writing, electronically or verbally) to any other entity or person, except as required by law. Unauthorized disclosure may result in discipline, up to and including termination and legal action.

I. Discipline

Unsatisfactory performance may subject an employee to discipline. The nature of the discipline imposed will depend on the seriousness of the problem and the employee's record of performance, behavior problems, or safety violations. The Company always maintains the right to determine what disciplinary action is appropriate based on the facts of each case. Such discipline may include, but is not limited to, verbal warnings, written warnings, suspensions, and termination. Exceptions and deviations from the normal discipline procedures may occur whenever the Company determines it necessary. For example, some circumstances may warrant immediate termination without a warning or suspension. Under no circumstances does this policy alter the at-will nature of employment with the Company, nor require that employment may be terminated only for cause.

IX. PERSONNEL ISSUES

A. Employee Relations

If an employee has concerns about work conditions or job responsibilities, the employee is encouraged to voice these concerns openly and directly. If there is something about an employee's job that bothers him or her, or if an employee feels that he or she has not been fairly treated in accordance with the Company's policies, the employee should report the problem first to his or her supervisor. In some cases, however, there may be reasons which make it difficult for an employee to discuss his or her concerns with a supervisor. In such cases, employees are encouraged to discuss these concerns with the next level of management or with the Chief Financial Officer. Employees find that most difficulties can be resolved in a satisfactory manner by bringing them out in the open and discussing them frankly with the people who can resolve them. The Company makes every effort to respond to employee concerns. Employees at all levels are encouraged to keep channels of communication open and flexible so that it is easy to solve any difficulties that may arise.

B. Respect for Others

The Company values the importance of healthy and respectful working relationships amongst its employees. In order to achieve a productive, efficient work environment, the Company requires its employees to treat one another with courtesy and respect. The Company expressly prohibits its employees from engaging in disrespectful behavior such as: prying into the business of co-workers, making untruthful or negative statements about co-workers, making rude and unnecessary comments about co-workers, spreading rumors, and engaging in gossip. This behavior is a waste of time and detracts from each employee's job satisfaction and production. If an employee has a serious complaint about one of his or her co-workers, the complaint should be brought directly to the complaining employee's supervisor, and not discussed with other co-workers. Employees who do not observe this policy of courtesy and respect for co-workers will be subject to discipline, up to and including termination.

C. Personnel Information

The Company maintains a file for every employee. The file contains information pertaining to the employee's employment with the Company. The information in an employee's personnel file is confidential and must be kept up to date. Employees should inform the Chief Financial Officer immediately whenever there are changes in personal data such as address, telephone number, and person(s) to notify in case of an emergency. If an employee's marital status or dependents change, he or she may have to change the number of exemptions claimed for income tax withholding purposes and change dependent status with insurance plans. Please report any changes to the Chief Financial Officer.

Employees have the right to inspect their personnel files at reasonable times, and on reasonable notice. In addition, employees have the right to receive a copy of the contents of their personnel file upon request. Such requests should be submitted to the Chief Financial Officer, either verbally or in writing. Employees may obtain a form that can be used to make a request for an inspection or a copy of his/her personnel file from the Chief Financial Officer. An employee may also designate a representative to conduct the inspection or to receive a copy of his/her personnel file, if done in writing. Requests for inspection or a copy of an employee's personnel file will be honored within 30 days of the date the request is received. Any inspection of an employee's personnel file must take place in the presence of the Chief Financial Officer. The Company reserves the right to charge an employee the actual cost of copying the contents of his/her personnel file.

Personnel files are the property of the Company, and may not be removed from the Company's premises without written authorization from the Chief Financial Officer.

X. TERMINATION OF EMPLOYMENT

A. Termination

Employment with the Company is at-will and can be terminated by the employee or the Company at any time, with or without advance notice, and with or without cause. If an employee finds it necessary to resign, the Company requests that if possible the employee provide two weeks' notice to his or her supervisor to aid in rescheduling the employee's workload. Absent extraordinary circumstances, when an employee has been absent for three days and has not contacted his or her supervisor, the Company will assume that the employee voluntarily terminated his or her employment as of the end of the third missed day. An employee must return to his or her supervisor all Company-furnished tools, equipment, keys and other property prior to the last day of employment. All confidential information received while employed with the Company belongs solely to the Company and must be kept confidential even after the employment has ended. Arrangements for clearing any outstanding debts with the Company and receiving a final paycheck should be made with the employee's supervisor.

B. Benefits Continuation

The California Continuation Benefits Replacement Act ("Cal-COBRA") gives employees and their qualified beneficiaries the opportunity to continue insurance coverage under the Company's health plan and dental plan when a "qualifying event" would normally result in the loss of

eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours; an employee's divorce or legal separation; and a dependent no longer meeting eligibility requirements. Under Cal-COBRA, the health plan provides each eligible employee with written notice describing rights granted under Cal-COBRA when the employee becomes eligible for coverage under the Company's plan. The notice contains important information about the employee's rights and obligations.

XI. WORKPLACE SAFETY AND HEALTH

A. Safety

The responsibility for safety extends to every employee working for the Company, and every employee must be safety conscious. All employees are required to immediately report any unsafe or hazardous condition or accident, no matter how minor, to a supervisor. The Company will make every effort to take corrective action as soon as possible. Failure to report an accident can result in a violation of legal requirements and may subject an employee to discipline, including termination.

B. Smoking

California law prohibits smoking on Company property. This includes Company cars as well as all buildings. An employee who violates this policy may be subject to discipline, including dismissal, and may also be subject to a fine imposed by the State of California.

C. Violence Prevention

The Company has adopted the following policies to ensure the safety of its employees and to provide guidance on dealing with violence in the workplace. If qualified, an employee may provide first aid to injured persons when required. Each employee is required to:

Immediately report all indirect and direct threats of violence to a supervisor.

Immediately report all suspicious individuals or activities to a supervisor.

Never put himself or herself in peril.

Immediately call 911 and seek shelter if the employee hears a violent commotion near his or her workstation.

Cooperate fully with security, law enforcement, and medical personnel who respond to a call for help.

Allow the Chief Financial Officer to respond to all inquiries from the media about violence on its premises so that the Company can speak with one voice.

D. Policy Prohibiting Use of Drugs and Alcohol

The Company maintains a strong commitment to provide a safe, efficient, and productive work environment. In keeping with this commitment, the Company has a strict policy regarding the inappropriate use and possession of alcohol and controlled substances and the misuse of prescription drugs. For the purpose of this policy, “controlled substance” includes all chemical substances or drugs listed in any controlled substances acts or regulations applicable under any federal, state, or local laws, and any other substance which impairs an employee’s ability to work. This policy recognizes that employee involvement with alcohol or drugs can be extremely disruptive and harmful to the workplace. It may adversely impact an employee’s work performance and quality, pose serious safety and health risks to the user and others, and have a negative impact on work efficiency and productivity.

The Company requires each employee to report to work fit to perform his or her job. No employee may use, possess, distribute or sell alcohol or any controlled substance or misuse prescription drugs while on the Company’s premises, while on duty, or while operating a vehicle that is owned or leased by the Company. In addition, no employee may report to work, or remain on duty while under the influence of, or impaired by, any alcohol or controlled substance, including impairment due to the misuse of prescription drugs. For purposes of this policy, alcohol and controlled substances will be also be prohibited if its/their use is prohibited or restricted by law and/or an employee improperly uses or possesses the alcohol or controlled substance, regardless of whether such conduct constitutes an illegal act or whether the employee is or could be criminally prosecuted and/or convicted for the conduct. The only exception to this policy is that alcohol in moderation may be consumed at pre-approved social gatherings, such as receptions or holiday parties.

Assistance for drug abuse and rehabilitation is available through normal medical providers and may be covered to some extent by insurance. For assistance, employees are encouraged to contact their physicians directly. All employees must adhere to the rules stated in this policy as a condition of employment. Failure to comply with this policy may result in discipline, including termination. the Chief Financial Officer has been designated to administer this policy, monitor the program and make reports as required by law.

XII. OTHER COMPANY RULES

A. Lactation Policy

Employees desiring to express breast milk for the employee’s infant child have the right to request a lactation accommodation from the Company. To do so, an employee should notify her supervisor or the Chief Financial Officer, preferably in writing, as soon as practicable. The Company will respond as quickly as possible, but no later than two (2) business days after the request is made. The Company will provide written notice if it is unable to provide a reasonable break time or suitable location.

The Company will provide a lactation space that is safe, clean, and free from hazardous materials each time an employee has a need to express milk under this policy. The lactation space will be in close proximity to the employee’s workspace, free from intrusion, and shielded from view of others; have access to a sink with running water and a refrigerator (or suitable cooling alternative);

contain a surface to place a breast pump and the employee's personal items; contain a place to sit; and have access to electricity or a suitable alternative power source. If appropriate, the lactation space may include the place where the employee normally works if it otherwise meets these requirements. Where a multipurpose room is used for lactation, among other uses, the use of the room for lactation shall take precedence over the other uses, but only for the time it is in use for lactation purposes. The lactation space shall not be a bathroom.

The lactation time shall coincide with the employee's regularly scheduled rest period to the extent possible. If a lactation break is taken outside of or extends beyond a paid rest period, a nonexempt employee must record the additional time on the time clock as unpaid time.

The Company will maintain a record of lactation accommodation requests for 3 years from the date of request.

The Company prohibits unlawful discrimination and retaliation. If an employee thinks she has been discriminated against or retaliated against for exercising her rights under this policy, she may file a complaint with the Department of Industrial Relations – Labor Commissioner's office. The nearest Labor Commissioner's office may be found online at <https://www.dir.ca.gov/dlse/DistrictOffices.htm>. The Company expects its employees to act in a professional and respectful manner at all times.

B. Company Property

Employees are not permitted to use any Company property for personal use, such as computers, labelers, copy machines, fax machines, postage meters, supplies, tools, vehicles, calculators, typewriters, or credit cards. During work hours, employees must minimize personal telephone calls. Personal telephone calls are permitted only when absolutely necessary. Fax machine or postage meter use for personal matters and personal long distance phone calls are not permitted without authorization from a supervisor.

When using Company property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. An employee must notify a supervisor if any equipment, machine, tool, or vehicle appears to be damaged, defective, or in need of repair. Prompt reporting helps prevent possible injury to employees or others and deterioration of equipment. The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles may result in disciplinary action, up to and including termination.

In addition, all desks, lockers, offices, work spaces, credenzas, cabinets, e-mail, telephone systems, office systems, computer systems, Company vehicles and other areas or items belonging to the Company are open to the Company and its employees. **EMPLOYEES HAVE NO EXPECTATION OF PRIVACY IN ANY OF THESE AREAS.** Personal items and messages or information that an employee considers private should not be placed or kept in desks, lockers, offices, workspaces, credenzas, cabinets, e-mail, telephone systems, office systems, computer systems, Company vehicles and other areas or items belonging to the Company.

C. Technology Policy

The Company's information systems and technology resources, including all computer, data and telecommunications hardware and software (referred in this handbook as the "Systems"), are critical to its business and success. The Systems are owned by the Company. All messages and other information communicated through the Systems are also the property of the Company. These Systems are to be used only to further the business purposes of the Company and should never be used in violation of any applicable laws. The Company has the right to terminate any employee's access to and use of any of the Systems at any time with or without cause and with or without notice. The Company may also take disciplinary action in its sole discretion, including termination, for any use of the Systems that is not in accord with this policy or any other policies of the Company.

Confidential or proprietary information of the Company should not be sent externally through e-mail or other systems, except when absolutely necessary and only with the approval of the Chief Financial Officer. Employees should use the following legend on each e-mail message sent via the Internet which is intended to be confidential or which contains confidential or proprietary information of the Company:

This electronic message contains information from Slater & Son, which is confidential or privileged. The information is intended to be sent to the individual or entity named above. If you are not the intended recipient, be aware that any disclosure, copying or distribution or use of the contents of this information is prohibited. If you have received this electronic transmission in error, please notify us by telephone at (530) 893-3333.

The Systems may never be used in any manner or method that is illegal, disruptive or offensive to others. The Systems are governed by the Company's unlawful harassment policies and other policies in this handbook. The Systems may never be used for any activity that is a violation of any applicable law or for viewing, transmission, downloading, reproduction or copying of any pornographic, obscene, discriminatory or otherwise illegal matter. The Systems may not be used in violation of any applicable copyright, trademark or trade secret laws. Unless there is a legitimate reason to do so and the Company has approved the participation, the Systems may not be used to participate in chat lines, bulletin boards, Internet mailing lists or Usenet newsgroups. Only software legally licensed to the Company or an employee may be installed and configured on individual computer systems. Installation of software may only be performed by authorized employees of the Company.

Employees should understand that they have **NO EXPECTATION OF PRIVACY** in connection with use of the Systems, including stored e-mail and voice mail messages. All messages created, sent, received or stored in these Systems are and remain the property of the Company. The Company reserves the right to retrieve and review any message composed, sent or received via the Systems.

EMPLOYEE AT-WILL AND ACKNOWLEDGMENT FORM

I have received and read a copy of the Employee Handbook of Slater & Son (the “Company”). In particular I have read the policy on Unlawful Harassment as well as the policy Prohibiting the Use of Drugs and Alcohol. I agree to abide by these policies, as well as the other policies contained in the Handbook.

I understand and agree that my employment is at-will. This means that either the Company or I may terminate the employment relationship at any time, with or without cause or advance notice. I understand that only the Chief Financial Officer may change this at-will employment relationship, and then only if it is in writing. I agree that the Company may change, delete or add to any policies, benefits or practices described in the Employee Handbook from time to time at its discretion with or without prior notice, except for its policy of at-will employment.

Signature _____ Date _____

Print Name _____