



CRUNCH CARE, INC.

2016

EMPLOYEE HANDBOOK

Crunch Care, Inc.

A. INTRODUCTION

Welcome to Crunch Care, Inc. We are happy to have you aboard.

It is the responsibility of each employee to read and understand this booklet. If anything is not clear to you please ask for an explanation.

The Company retains the sole discretion to modify, delete or add to this handbook, in writing, at any time. When such amendments are made, each employee will be provided with a written statement of the amendment and will be required to acknowledge they have received and read the amendment. None of these policies or procedures can be amended, altered or modified in any way by oral statements, but can only be altered by a written statement issued by Human Resources.

This Handbook replaces and supersedes all previous handbooks and supplements to previous handbooks distributed by the Company and takes precedence over all memoranda or oral descriptions of the terms and conditions of employment. To avoid confusion, please discard any and all prior handbooks and manuals you may have.

Thank you for joining the Crunch Care, Inc. team.

B. EMPLOYMENT POLICY – AT-WILL EMPLOYMENT

The Company's employment policy is "at-will". Under the "at-will" policy, neither you nor the Company is committed to continuing the employment relationship for any specific term. Rather, the employment relationship will continue at will. Either side may terminate the relationship at any time, with or without cause and with or without notice. Also the Company retains the right to demote, transfer, change job duties, and change compensation at any time with or without notice and with or without cause in its sole discretion. In deciding to work for the Company, or continuing to work for the Company, you must understand and accept these terms of employment.

C. EQUAL EMPLOYMENT OPPORTUNITY AND DISCRIMINATION POLICY

Crunch Care, Inc. is an equal opportunity employer and makes employment decisions and provides employment opportunities on the basis of merit, qualifications, potential and competency. We want to have the best available persons in every job. Company policy prohibits unlawful discrimination based on race, religion (all aspects of religious belief, observances, and practices including religious dress and grooming practices), color, national origin, ancestry, sex (including pregnancy, childbirth, breastfeeding or related medical conditions), gender, gender identity, gender expression, actual or perceived, sexual orientation, marital status, military and veteran status, civil air patrol status, age, physical or mental disability, genetic information or medical condition, except where physical fitness is a valid occupational qualification or any other consideration made unlawful by federal, state or local laws. For purposes of this policy, discrimination on the basis of "national origin" also includes discrimination against an individual because of their primary language or because that person holds or presents the California driver's license issued to those who cannot document their lawful presence in the United States. An applicant's or employee's immigration status will not be

considered for any Company employment purpose except as necessary to comply with federal, state or local laws. California law also prohibits discrimination against individuals providing services in the workplace pursuant to a contract, unpaid interns and volunteers on the basis of actual or perceived race, color, creed, religion, sex, physical or mental disability, genetic information or age. This commitment applies to all persons involved in the operations of the Company and prohibits unlawful discrimination by any employee of the Company, including supervisors and co-workers. All such discrimination is unlawful.

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

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact the Human Resources Department and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The Company will then engage in a good faith interactive process with the employee or applicant to determine what, if any, effective accommodations can be made for the employee or applicant. The Company will conduct an investigation to identify the barriers that make it difficult for the applicant or employee to have an equal opportunity to perform his or her job. The Company will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the Company will make the accommodation.

An employee who requires an accommodation of a religious belief or practice (including religious dress or grooming practices) should contact the Human Resources Department and request such an accommodation.

Pay discrimination between employees of the opposite sex performing substantially similar work, as defined by the California Fair Pay Act and federal law, is prohibited. Pay differentials may be valid in certain situations defined by law. Employees will not be retaliated against for inquiring about or discussing wages. However, Crunch Care, Inc. is not obligated to disclose the wages of other employees.

Discrimination can also include failing to reasonably accommodate religious practices or qualified individuals with disabilities where the accommodation does not pose an undue hardship.

If you believe you have been subjected to any form of unlawful discrimination, provide a complaint to the Human Resources Department as soon as possible. It would be best to communicate your complaint in writing, but this is not mandatory. If the complaint relates to the Human Resources Department provide your complaint to the CEO. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. The Company will immediately undertake an effective, thorough and objective investigation and attempt to resolve the situation.

If the Company determines that unlawful discrimination has occurred, effective remedial action will be taken, commensurate with the severity of the offense. Appropriate action will also be taken to deter any future discrimination. Whatever action is taken will be made

known to you and the Company will take appropriate action to remedy any loss to you as a result of the discrimination. The Company will not retaliate against you for filing a complaint and will not willingly permit retaliation by management employees or your co-workers.

D. PERSONNEL AND MEDICAL RECORDS

The information recorded in your personnel file is extremely important to you and to Crunch Care, Inc. It is your responsibility to make sure that the personal data in the file is accurate and up-to-date. Please report any change in address, phone number, etc., to the Human Resources Department immediately. You have the right to inspect or receive a copy of the personnel records that Crunch Care, Inc. maintains relating to your performance or to any grievance concerning you. Certain documents may be excluded and some information may be redacted from your personnel file by law. There are legal limitations on the number of requests that can be made. Any requests to inspect or copy personnel records must be made in writing to the Human Resources Department. You can obtain a form for making such written request from the Human Resources Department.

You may designate a representative to conduct the inspection of the record or to receive a copy of the records. However, any designated representative must be authorized by you in writing to inspect or receive a copy of the records. Crunch Care, Inc. may take reasonable steps to verify the identity of any representative you designate to inspect or receive a copy of your personnel records.

The personnel records may be made available to you either at the place where you work or at a mutually agreeable location (with no loss of compensation for going to that location to inspect or copy the records). The records will be made available no later than thirty (30) calendar days from the date Crunch Care, Inc. receives your written request to inspect or copy your personnel records. You will be charged the actual cost of any documents you request copies of.

Only a Human Resources representative is authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited; however, the Company will cooperate with requests from authorized law enforcement or local, state or federal agencies conducting investigations.

Health/medical records are not included in your personnel file. These records are confidential. The Company will safeguard them from disclosure and will divulge such information only as follows:

1. As allowed by law;
2. To the employee's personal physician upon written request or permission of the employee; or
3. As required for workers' compensation cases.

E. REQUIREMENTS FOR EMPLOYMENT

The following are requirements for employment with Crunch Care, Inc.:

1. Must have a valid Social Security Number;
2. Must complete a W-4 form;

3. Must have completed an employment application;
4. Must assure that you are in physical condition appropriate to perform the job for which you apply;
5. Must have appropriate documentation establishing your right to work in the United States in compliance with state and federal law.
6. Insurability - All employees must remain insurable under Crunch Care, Inc.'s general liability insurance policy. If any employee is declared uninsurable by Crunch Care, Inc.'s insurance company, the employee will immediately be considered ineligible for further employment and will be considered to have voluntarily terminated his/her employment as of the date of notification by the insurance company of uninsurability.
7. Drug and Alcohol Program - Crunch Care, Inc. reserves the right to require drug and/or alcohol testing of any applicant or employee.
8. Prospective employees who will be required to drive their own personal vehicle for Company business will provide the Company with current and acceptable motor vehicle driving information. Employment and assignment will be conditional pending the receipt of a satisfactory report from the State of California, Department of Motor Vehicles. (DMV). Employees who drive either their own personal vehicle or Company vehicles as a part of their employment will be required to provide periodic updated reports from DMV.
9. Must maintain a valid State of California driver's license and at least the minimum auto insurance as required by California law if using your personal vehicle for Crunch Care, Inc. business. The Company retains the right to transfer to an alternative position, suspend or terminate an employee whose license is revoked, who fails to maintain personal automobile insurance coverage or who is uninsurable under the Company's policy.

F. DRUG AND ALCOHOL POLICY

The Company is concerned about the use of alcohol and controlled substances in or affecting the work environment. Use, and particularly abuse, of alcohol and/or controlled substances on the job adversely affects an employee's efficiency, safety and health, and therefore impairs his/her value as an employee. In addition, it constitutes a potential danger to the welfare of other employees, and exposes the Company to risks of property loss/damage, or injury to other persons.

Therefore, it is the policy of the Company that no employee will be allowed to work who possesses, distributes, sells, offers to sell or distribute, attempts to purchase, or uses any drug controlled substance or alcohol in his or her body or who misuses prescription drugs. Any employee who violates this policy is subject to immediate discharge.

The Company reserves the right to require drug and/or alcohol testing of any employee.

G. **DRESS CODE**

No one has a second chance at the first impression. While our Company has no standard dress code, personal appearance is always important to you and the Company's image. You are asked to wear articles of clothing suitable to the type of work you perform and the environment in which you work. Articles of clothing should be neat, clean, safe, in good taste and provide a professional atmosphere to clients and customers. Interpretation of this provision rests solely with Crunch Care, Inc.'s management.

An employee who requires an accommodation of a religious belief or practice (including religious dress or grooming practices) should contact the Human Resources Department and request such an accommodation.

H. **HOURS OF WORK**

1. **Normal**

Work Hours - Each supervisor will determine the hours of work for his or her employees and any change in working hours will be announced as far in advance as possible by the supervisor.

2. **Overtime**

Overtime will be paid in accordance with applicable state and federal law. To work overtime, you must obtain permission from your supervisor. If you work overtime without permission, you may be disciplined up to and possibly including termination.

3. **California Meal and Rest Period Policy**

Crunch Care, Inc. complies with federal and state legal requirements concerning meal and rest periods.

The Company recognizes that employees perform at their best when they have the rest and nourishment they need. This policy explains when the Company expects employees to take meal and rest periods.

a. **Meal Periods**

An on-duty meal period will be provided for all personal attendants due to the constant supervision required for all clients. Employees will be provided with an opportunity to sign a written agreement where on the job paid meal periods are provided due to the nature of their work in accordance with California law.

a. **Rest Periods**

Employees will be provided with a ten minute paid rest period for every four hours of work or major fraction thereof. Due to the on-duty nature of the work those employees provided personal attendant care can take their rest periods as their duties with the client permit. ■

4. **Timekeeping Requirements**

For those employees that are required to use an authorization form/timecard, you must record all time worked accurately on your time record. Employees must record their own time at the start and end of each of their work periods. Due to the nature of the work and the on-duty meal period requirement employees do not need to record the start and ending time of each meal period. Please also refer to the Crunch Care, Inc. Meal and Rest Period policy for any questions.

Any written marks or changes on a time record must be initialed by a supervisor. Any errors on your time record should be reported immediately to your supervisor or Human Resources. Any employee found tampering with the time card, intentionally recording time on another employee's time record, or deliberately falsifying their own or any other time card will be subject to immediate discharge.

5. **Off The Clock Work Policy**

Crunch Care, Inc. is committed to compensating every employee for all of the work they perform. Non-exempt employees are required to record all of their work time on their timesheets or in the Company's timekeeping system. Importantly, non-exempt employees are specifically prohibited from performing any work for the Company "off the clock." No one has the authority to require, allow or ask, directly or indirectly, any non-exempt employee to perform any work for the Company "off the clock." Employees must refuse all requests by their supervisors to work "off the clock" and report the request to Human Resources or a manager. In all cases, all time worked by non-exempt employees must be recorded on the employee's time record, and will be compensated in accordance with Company policies and applicable laws and regulations.

6. **Personal Calls**

No visitors are allowed in the client's home without a supervisor's permission. Persons who want to talk to an employee must do so during the break or lunch period. Only emergency phone calls are to be made or received on Company time.

7. **Use of Company Cell Phone While Driving**

In the interest of the safety of our employees and other drivers, Crunch Care, Inc. employees are prohibited from using cell phones while driving on Company business and/or Company time. Personal and/or company provided cell phones are to be turned off any time you are driving on Company business and/or Company time.

If your job requires that you keep your cell phone turned on while you are driving, you must pull off the road to a safe location and stop the vehicle before conducting Company business.

State law also prohibits drivers from writing, sending, or reading text-based communications using an electronic wireless communications device (i.e. a cell phone) to manually communicate with any person via communications referred to as a text message, instant message or electronic mail.

Please note that any citations an employee receives for improper use of a cell phone while operating a motor vehicle will be the employees own personal responsibility.

Employees are prohibited from using personal or Company-issued cell phones for personal calls and to conduct personal business during business hours. Employees may make or receive personal calls during their breaks or meal period. The only exception to this policy is emergency calls.

I. PUNCTUALITY AND ATTENDANCE

As an employee of Crunch Care, Inc., you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your workload must be performed by others, just as you must assume the workload of others who are absent.

Employees are expected to report to work as scheduled, on time and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized Company business. Late arrival, early departure or other absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must call your supervisor 24 hours prior to the shift or as quickly as possible. In all cases of absence or tardiness, employees must provide their supervisor with an honest reason or explanation. Employees also must inform their supervisor of the expected duration of any absence. Unless there are extenuating circumstances, you must call in prior to the start of your scheduled work day if you are unable to report to work.

Excessive absenteeism, excused or not, will not be tolerated. Each situation of excessive absenteeism or tardiness shall be evaluated on a case-by-case basis. However, even one unexcused absence may be considered excessive, depending upon the circumstances. Excessive absenteeism or tardiness can result in disciplinary action up to and including termination.

In addition, if you fail to report for work without any notification to your supervisor and your absence continues for a period of two (2) days, the Company will consider that you have abandoned your employment and have voluntarily quit. Please note if you fail to report for work without any notification to your supervisor for even one (1) day you can be subject to disciplinary action up to and including termination.

Absences protected by local, state and federal law do not count as a violation of the punctuality and attendance policy. Paid sick time protected under California law does not count as a violation of this policy.

J. LEAVES OF ABSENCE

1. **General Provisions**

The Company may grant a leave of absence in certain circumstances. You should notify your supervisor/administration in writing as soon as you become aware that you may need a leave of absence. The Company will consider your request in accordance with applicable law and the Company's leave policies. You will be notified whether your leave request is granted or denied. If you are granted leave, you must comply with the terms and conditions of the leave, including keeping in touch with your supervisor/administration during your leave, and giving prompt notice if there is any change in your return date.

2. **Personal Leave Of Absence**

All full time employees who have been employed over 120 days may, at the discretion of Management, be granted a non-paid leave of absence provided there are good and sufficient reasons, such as family illness or urgent personal need. A request for leave of absence must be made in writing. Any leave of absence granted must also be in writing. A leave of absence for personal emergency may not exceed thirty (30) days or insert amount in any one (1) year period of time. Authorized leave is necessary to cover absence for any reason (other than paid vacation) in excess of five (5) working days. This is not to be construed as relieving the employee of reporting his/her absence immediately.

Employees may be eligible to apply for Paid Family Leave (PFL) during a personal leave of absence (see Paid Family Leave Benefits section of the employee handbook). If PFL benefits are granted by the EDD they will run concurrently with an otherwise authorized personal leave of absence. In such circumstances, the use of PFL benefits and/or paid time off during the personal leave period will not extend the length of the leave beyond what may be granted by Crunch Care, Inc. policy. The receipt of PFL also does not create a right to benefits during a personal leave of absence and does not impact the reinstatement rights set forth in this personal leave policy.

The number of employees on a personal leave of absence at any one time shall be subject to the reasonable requirements of Crunch Care, Inc. with respect to the efficient and orderly operation of the Company.

Benefit credit will not be accrued towards vacation and sick leave for the duration of the leave. Employees returning from a leave of absence during the course of a calendar year will receive only a prorated portion of sick leave and vacation benefits for the duration of that year.

It should also be noted by the employee that a return to work from a leave of absence is contingent upon an available opening at that time and should be verified with your employer before reporting back to work.

An employee who is granted a leave of absence must utilize any unused sick leave and vacation benefits during the period of his or her leave. The use of sick leave or vacation during a leave of absence does not extend the maximum thirty (30) day.

Any employee who fails to report for work at the end of an approved leave shall be deemed to have voluntarily resigned. Any employee who does not return to his or her job is eligible for continued insurance coverage under CAL-COBRA.

3. **Pregnancy And Pregnancy Related Disabilities**

Any employee who is disabled by pregnancy, childbirth, or a related medical condition is eligible for a Pregnancy Disability Leave of Absence. There is no length of service requirement.

For purposes of this policy, you are disabled when, in the opinion of your healthcare provider, you cannot work at all or are unable to perform any one or more of the essential functions of your job or to perform them without undue risk to yourself, the successful completion of your pregnancy, or to other persons as determined by a health care provider. This term also applies to certain pregnancy-related conditions, such as severe morning sickness or if you need to take time off for prenatal or postnatal care, bed rest, post-partum depression, and the loss or end of pregnancy (among other pregnancy-related conditions that are considered to be disabling).

a. **Reasonable Accommodation for Pregnancy-Related Disabilities**

Any employee who is affected by pregnancy may also be eligible for a temporary transfer or another accommodation. There is no length of service requirement. You are affected by pregnancy if you are pregnant or have a related medical condition, and because of pregnancy, your health care provider has certified that it is medically advisable for you to temporarily transfer or to receive some other accommodation.

The Company will provide a temporary transfer to a less strenuous or hazardous position or duties or other accommodation to an employee affected by pregnancy if:

She requests a transfer or other accommodation;

The request is based upon the certification of her health care provider as “medically advisable”; *and*

The transfer or other requested accommodation can be reasonably accommodated pursuant to applicable law.

No additional position will be created and the Company will not discharge another employee, transfer another employee with more seniority, or promote or transfer any employee who is not qualified to perform the new job as a part of the accommodation process.

b. **Advance Notice and Medical Certification**

To be approved for a pregnancy disability leave of absence, a temporary transfer or other reasonable accommodation, you must:

Provide 30 days’ advance notice before the leave of absence, transfer or reasonable accommodation is to begin, if the need is foreseeable;

Provide as much notice as is practicable before the leave, transfer or reasonable accommodation when 30 days’ notice is not foreseeable; and

Provide a signed medical certification from your health care provider that states that you are disabled due to pregnancy or that it is medically advisable for you to be temporarily transferred or to receive some other requested accommodation.

The Company may require you to provide a new certification if you request an extension of time for your leave, transfer or other requested accommodation.

c. Duration

The Company will provide you with a Pregnancy Disability Leave of Absence for the duration of your pregnancy-related disability for up to four (4) months. This leave may be taken intermittently or on a continuous basis, as certified by your health care provider. The four months of leave available to an employee due to her pregnancy related disability is defined as the number of days (and hours) the employee would normally work within four calendar months or 17.33 workweeks.

Any temporary transfer or other reasonable accommodation provided to an employee affected by pregnancy will not reduce the amount of Pregnancy Disability Leave time the employee has available to her unless the temporary transfer or other reasonable accommodation involves a reduced work schedule or intermittent absences from work.

d. Reinstatement

If you and the Company have agreed upon a definite date of return from your leave of absence or transfer, you will be reinstated on that date if you notify the Company that you are able to return on that date. If the length of the leave of absence or transfer has not been established, or if it differs from the original agreement, you will be returned to work within two (2) business days, where feasible, after you notify the Company of your readiness to return.

Before you will be allowed to return to work in your regular job following a leave of absence or transfer, you must provide your supervisor with a certification from your health care provider that you can perform safely all of the essential duties of your position, with or without reasonable accommodation. If you do not provide such a release prior to or upon reporting for work, you will be sent home until a release is provided. This time before the release is provided will be unpaid.

You will be returned to the same or a comparable position upon the conclusion of your leave of absence or transfer. If the same position is not available on your scheduled return date, the Company will provide you a comparable position on your scheduled return date or within 60 calendar days of that return date. However, you will not be entitled to any greater right to reinstatement than if you had not taken the leave. For example, you would have been laid off regardless of the leave, or you would not have been offered a comparable position, then the employee will not be entitled to reinstatement.

Failure to return to work at the conclusion of the leave of absence may result in termination of employment, unless you are taking additional leave provided by law or Company policy or the Company has otherwise approved you to take additional time off.

e. Integration with Other Benefits.

Pregnancy Disability Leaves of Absence and accommodations that require you to work a reduced work schedule or to take time off from work intermittently are unpaid. You may elect to use accrued sick leave and/or accrued vacation benefits during the unpaid leave of absence. However, use of paid time off will not extend the available leave of absence time. Vacation and sick leave hours will not accrue during any unpaid portion of the leave of absence,

and you will not receive pay for official holidays that are observed during your leave of absence except during those periods when you are substituting vacation or sick leave for unpaid leave.

Employees should apply for California State Disability insurance (“SDI”) benefits. SDI forms are available from the Company or your health care provider. Any SDI for which you are eligible will be integrated with accrued vacation, sick leave, or other paid time off benefits so that you do not receive more than 100% of your regular pay.

4. **Medical Leave Of Absence**

Any full-time employee who is temporarily disabled and unable to work due to a medical condition may, upon request and at the discretion of management, be granted a leave of absence without pay for the period of his or her disability, provided such period shall not exceed one (1) month. The term “medical” as used herein encompasses all temporary medical disabilities. The employee’s temporary disability status must be verified by written confirmation from the employee’s doctor on a periodic basis. Female employees who are disabled due to pregnancy or pregnancy related disabilities should see the “Pregnancy and Pregnancy Related Disabilities” leave section of this handbook to understand their rights. Employees must contact the Company on a weekly basis concerning their disability status and expected return date.

An employee who is granted a medical leave of absence must utilize any unused sick leave and vacation benefits during the period of his or her disability. The use of sick leave or vacation during a medical leave of absence does not extend the maximum one (1) month period allowed.

Employees requesting a medical leave are required to complete a Medical Leave of Absence form. Requests must be submitted to the Company office.

The employee must notify the Company office of the need for such a leave as soon as the employee learns that he or she is, or will become, temporarily disabled and unable to work due to a medical condition. Such notice must specify the reason for the leave, the date such leave will begin, and the expected duration of the disability. An employee who requests such a leave may be required to provide initially and from time to time, proof of disability in the form of a physician’s statement. An employee returning from a medical leave of absence shall be required to provide a physician’s statement that indicates that he or she is able to perform the essential functions of the position.

In the case of illness, a doctor’s release to return to work will be required from the employee before he or she will be allowed to return to work, if the absence was three (3) days or longer.

Benefit credit will not be accrued towards vacation and sick leave for the duration of the leave. Employees returning from a leave of absence during the course of a calendar year will receive only a prorated portion of sick leave and vacation benefits for the duration of that year.

Except as otherwise required by law, it should also be noted by the employee that a return to work from a leave of absence is contingent upon an available opening at that time and should be verified with your employer before reporting back to work. If an employee returning from medical leave is unable to perform the essential functions of the job because of a physical

or mental condition, the Company's obligations to that employee may be governed by the Americans With Disabilities Act.

Any employee who fails to report for work at the end of an approved leave may be deemed to have voluntarily resigned.

It is the responsibility of each employee to promptly report all on-the-job injuries. If an injury does occur, it must be reported to the employee's immediate supervisor or the office immediately.

5. **School Activities**

Employees are encouraged to participate in the school or child care activities of their child(ren).

The absence is subject to all of the following conditions:

- Time off under this policy can only be used by parents, guardians, grandparents, stepparents, foster parents or a person who stands in loco parentis to one or more children of the age to attend kindergarten through grade 12 or a licensed child care provider;

- The amount of time off for school or child care activities described below cannot exceed a total of 40 hours each year;

- Covered employees can use the time off to find, enroll or reenroll a child in a school or with a licensed child care provider or to participate in activities of the child's school or licensed child care provider. The time off for these purposes cannot exceed eight hours in any calendar month. Employees planning to take time off for these purposes must provide reasonable advance notice to their supervisor.

- Covered employees can also use time off to address a "child care provider or school emergency" if the employee gives notice to the employer. A child care provider or school emergency means that the employee's child cannot remain in a school or with a child care provider due to one of the following:

- o The school or child care provider has requested that the child be picked up, or has an attendance policy (excluding planned holidays) that prohibits the child from attending or requires the child to be picked up from the school or child care provider;

- o Behavioral or discipline problems;

- o Closure or unexpected unavailability of the school or child care provider, excluding planned holidays; or

- o A natural disaster, including, but not limited to, fire, earthquake or flood.

- Employees must provide their supervisor with documentation from the school or licensed child care provider verifying that they were engaged in these child related activities on the day and time of the absence;

- If more than one parent is employed by Crunch Care, Inc., the first employee to request such leave will receive the time off. Another parent will receive the time off only if the leave is approved by his or her supervisor;

- Employees must use vacation leave in order to receive compensation for this time off; and
- Employees who do not have paid time off available will take the time off without pay.

K. **PAID FAMILY LEAVE BENEFITS**

Beginning on January 1, 2004, employees began to contribute to California's Paid Family Leave ("PFL") insurance fund, which will be administered by the State of California's Employment Development Department ("EDD"). Like SDI contributions, employee contributions to the PFL fund are deducted automatically from an employee's paycheck. The PFL fund is designed to provide employees who take an unpaid leave of absence from work with a wage supplement for up to six weeks within a rolling 12-month period.

To determine eligibility for PFL benefits, an employee must apply for PFL benefits through the EDD. The EDD, not the Company, decides whether an employee is eligible for PFL benefits. PFL benefits apply to employees who take an unpaid leave of absence from work for one of the following reasons:

- The birth or placement of a child for adoption or foster care; or
- To care for an immediate family member (child, parent, spouse, domestic partner or child of a domestic partner, grandparent, grandchild, sibling or parent-in-law) who is seriously ill and requires care.

Under the law, an employee must provide certification to the EDD of the need for the leave. Employees applying for PFL benefits must also provide the appropriate certifications and notices required by the Company for the specific leave that the employee wishes to take, for example, personal leave.

In some instances, PFL benefits may be coordinated and run concurrently with an otherwise authorized leave of absence. In such circumstances, the use of PFL benefits and/or paid time off during the leave period will not extend the length of the leave beyond what is required by applicable law and/or allowed by Crunch Care, Inc. policy.

Paid Family Leave does not provide employees with a protected leave of absence. Rather, Paid Family Leave provides only partial wage replacement benefits when an employee has been approved for a leave of absence. In order to obtain approval for leave of absence for the reasons set forth above, the employee must contact the Company's Human Resources Department. Leave to care for certain family members may be covered by applicable law for certain eligible employees. Leave that is not covered by applicable law may or may not be approved by the Company, in the Company's sole discretion. Nothing in this policy guarantees that the Company will provide additional leaves of absence other than those already required by applicable law. For further information about such matters, refer to the applicable policies set forth in the employee handbook.

Employee benefits, including health insurance (assuming the employee is covered), do not continue during a use of PFL unless otherwise required by law and/or applicable Crunch Care, Inc. policies. As appropriate, you will receive separate information about your right to continue your health care insurance under CAL-COBRA.

Employees are free to use their sick leave for “kin care” issues as provided for in the Company sick leave policy. Under the Company sick leave policy an employee may use up to one-half (1/2) of their yearly sick leave accrual for the same purposes set forth above under the California’s Healthy Workplace Healthy Family Act, which includes leave for a “family member” as defined above under the Act.

Any information provided by employees about PFL Leave will be kept confidential. Fraud or dishonesty in connection with an application for or use of PFL benefits will be reported to the EDD and may result in immediate disciplinary action up to and including termination.

L. **EMPLOYEE BENEFITS**

1. **Paid Sick & Safe Time Policy (PSST)**

The Company recognizes that employees may need time away from work. This time away may be due to various reasons, including for the employee’s own illness, a family member’s illness, or if the employee is a victim of domestic violence, sexual assault or stalking. As a result, the Company provides Paid Sick and Safe Time (“PSST”) to employees each year in recognition of that need.

Eligibility

All employees (full-time, part-time, temporary or seasonal employees) who perform work in California will be eligible to accrue PSST as of July 1, 2015 or as of their date of hire, whichever is later. To be eligible to use PSST you must work for the Company in California for 30 days. However, an employee must have completed 90 days of employment with the Company before using any PSST.

Definitions

Family member: The employee’s current spouse, child or individual for which the employee stands in loco parentis, legal guardian or ward, parent, parent-in-law, sibling, grandparent, or grandchild. An employee’s domestic partner (as defined by law), as well as the child of a registered domestic partner, are also considered an employee’s family member. These familial relationships include not only biological relationships, but also relationships resulting from adoption, step-relationships, and foster care relationships.

Regular rate of pay: The regular rate of pay is the equivalent of the employee’s hourly wage. For employees who have different hourly rates of pay or who are paid by commission or piece rate or who are nonexempt salaried employees, the PSST rate of pay is calculated in the same manner as the “regular rate of pay” for the workweek in which the employee uses paid sick time, regardless of whether the employee actually works overtime in that workweek.

Safe time: Employees may take safe time if the employee is a victim of domestic violence, sexual assault or stalking and time off is needed to attend to safety planning or other actions to assist the employee, such as judicial assistance, medical attention, counseling, etc.

Sick time: Employees may take sick time for themselves and their eligible family members to: (a) obtain medical treatment, preventative care, or diagnosis; (b) attend a medical or dental appointment; (c) attend to or provide care for a family member with a mental or physical illness; and/or (d) recover or recuperate from an injury or health condition.

Sick & Safe Time Accrual Schedule & Carryover

Eligible employees are provided PSST each 12 month period starting July 1, 2015 for employees employed prior to that date, and from the date of hire for all employees hired after July 1, 2015. PSST begins to accrue at the time of hire. PSST is accrued each pay period at a rate of 1 hour for every 30 hours worked. For purposes of PSST, exempt employees are deemed to work 40 hours per workweek unless their normal workweek is less than 40 hours, in which case PSST accrues and is paid based on that normal workweek's schedule. Employees are eligible to take PSST once they have completed 90 days of employment.

Employees accrue up to a maximum number of PSST hours/days as follows: one hour for every thirty hours worked to a maximum 6 days or 48 hours. Once the employee reaches his/her maximum PSST accrual cap, no further PSST will accrue until the PSST bank falls below the cap. Any accrued, but unused, PSST hours may be carried over into a new year, up to a maximum six days or 48 hours of PSST.

Once the employee has used 24 hours or the equivalent of 3 days of PSST (whichever is greater) in a 12 month beginning with either July 1, or their date of hire if hired after July 1, 2015, the employee is not eligible to use any further PSST in that 12 month period. Employees cannot cash out unused PSST at the end of their respective 12 month period.

Requesting Paid Sick & Safe Time

PSST may be used in increments of two hours or greater to cover all or just part of a work day. PSST benefits will be based on the employee's current regular rate of pay, as defined under this policy.

If the need for PSST use is foreseeable, an employee must provide reasonable advance notice to their supervisor of an absence from work. If the use of PSST is unforeseeable, an employee must provide notice to their supervisor of the need to use PSST as soon as practicable. In all circumstances, an employee is responsible for specifying that the time off is for PSST reasons, so that the absence may be designated as a PSST absence. Failure to obtain approval as soon as possible after determining the need to take PSST may result in discipline.

Separation from Employment & Rehire

An employee who separates from employment with the Company will not be paid out unused PSST at separation. If an employee is rehired within one year of his/her separation from employment, the employee will receive back all accrued, but unused, PSST the employee had available at the time of separation and will be eligible to use that time as of the date of rehire.

Discrimination & Retaliation Prohibited

The Company prohibits discrimination and/or retaliation against employees who request or use PSST for authorized circumstances protected by law or for making a complaint or informing a person about a suspected violation of the law. Likewise, the Company prohibits

discrimination and/or retaliation for cooperating with officials in investigating claimed violations of the law, cooperating or participating in any investigation, administrative hearing or judicial action regarding an alleged violation, opposing any policy or practice that is prohibited by the law, or informing any person of his or her potential rights under the law.

2. **Bereavement Leave**

Crunch Care, Inc. allows unpaid bereavement leave of up to three (3) working days whenever there is a death in the employee's immediate family at the discretion of the employee's supervisor. Immediate family is defined as a spouse, child, parent, in-laws, brother and sister.

3. **Jury Duty**

An employee may take an unpaid leave of absence for jury duty. Employees who receive a jury summons must notify their supervisor immediately of the existence of this obligation so that arrangements may be made.

4. **Other Benefits**

Crunch Care, Inc. pays into the following State and Federal programs on your behalf:

a. **Worker's Compensation Insurance**

Crunch Care, Inc. carries worker's compensation insurance to provide benefits in the event you incur a work related injury or illness. Compensation insurance pays 100% of medical expenses if you are hurt on the job. Injuries not reported immediately to your supervisor cannot be guaranteed coverage by the compensation insurance. Report your injury to your supervisor no matter how slight the injury may appear.

The law requires that the Company notify the workers' compensation insurance company of any concerns of false or fraudulent claims.

Any person who makes or causes to be made any knowingly false or fraudulent material statement or material misrepresentation for the purpose of obtaining or denying workers' compensation benefits or payments is guilty of a felony.

A violation of this law is punishable by imprisonment for 1-5 years or by a fine not to exceed \$50,000.00 or double the value of the fraud, whichever is greater or both. Additional civil penalties may also be assessed.

Acceptance of employment with a different employer that requires the performance of activities that you have stated that you cannot perform because of the injury for which you are receiving temporary disability benefits could constitute

fraud and could result in criminal prosecution. If convicted, you could lose your rights to workers' compensation benefits and face imprisonment for up to five (5) years and a fine of up to fifty thousand dollars (\$50,000.00) or double the amount of the fraud, whichever is greater.

b. **State Unemployment Insurance**

All workers are covered by unemployment insurance. Crunch Care, Inc. pays the cost of unemployment insurance to provide you with a weekly income when you are out of work through no fault of your own. Claims may be filed with the local Employment Development Department.

c. **Social Security (FICA)**

Crunch Care, Inc. will pay your social security account an amount equal to the FICA deducted from your paycheck. All employees are eligible for United States Social Security retirement benefits. You become eligible for some benefits at age 62 and can receive full benefits at your normal retirement age as defined by the U.S. Government.

M. **TERMINATIONS, LAYOFFS AND RECALLS**

If an employee is terminated, quits, or is laid off and later reapplies and is accepted, he or she will be treated like a new employee and will have to again start their accrual of time. This provision does not affect the employee's right to a prorata share of vacation pay earned at the time of termination.

To conform with the California Continuation Benefits Replacement Act of 1997 (Cal-COBRA), if an employee was covered by the Company health plan, the Company will make available, at the employee's request upon termination, continued insurance coverage at the employee's expense.

Layoffs and recalls will be made based on the needs of the Company, the skill set of the employees involved and the affected employee's overall job performance, including their ability, attendance and production. If an employee is laid off they will not accrue benefits during the layoff period.

N. **SAFETY**

Your safety is a major concern to Crunch Care, Inc. The Company feels that a clean, safe, and healthy environment should be provided for all employees. Every reasonable precaution is taken to provide you with a safe place to work. Accident prevention, however, is largely an individual responsibility and employees are expected to do their part to work safely.

The following guidelines should be observed:

1. Study your job and the possible hazards. If you are uncertain as to the safest way of doing the job, ask your supervisor before you begin.

2. The Company will supply safety equipment whenever it is needed. You must, at all times, wear required safety equipment and observe all posted rules and regulations.

3. If you become ill or are injured on the job, tell your supervisor at once. In order to receive prompt insurance coverage, an injury report must be filled out. If you think you need medical attention, inform the supervisor. The supervisor will have a list of available doctors and medical facilities in the area.

4. Report any defective equipment or possible hazardous condition to your supervisor.

5. Feel free to make any safety suggestions.

6. Employees are also required to review the Company's Injury and Illness Prevention Program (IIPP) and be familiar with its contents.

O. **HOUSEKEEPING**

All employees are expected to assist in the general housekeeping around the office and client sites, light upkeep of the office/client site is required and specifies prior to each case (for on call/temporary employee's).

P. **STANDARDS OF CONDUCT**

The Company expects employees to observe a standard of conduct which will maintain an orderly, positive and productive workplace. Such a standard of conduct will benefit and protect both the Company and all employees.

Behavior that violates this standard of conduct will subject employees to discipline up to and including suspension without pay or discharge.

The listing of the following unlawful actions, improper actions and work standards rules does not in any way detract from or alter the right of the Company or the employee to terminate the employment relationship at any time, with or without notice, with or without cause. Also the Company retains the right to demote, transfer, change job duties, and change compensation at any time with or without notice and with or without cause in its sole discretion.

The disciplinary action used to maintain the standards of conduct will be determined in light of the facts and circumstances of each individual case. Each incident will be considered in light of a variety of factors, including:

1. The seriousness of the incident and the circumstances;
2. The employee's past conduct;
3. The nature of any previous incidents; and,
4. The general practice as it relates to the incident.

Although not conclusive, the following list represents kinds of behavior that will be considered improper and unacceptable in the workplace, and may subject employees to the above mentioned discipline:

(1) **Unlawful Actions:**

- (a) Stealing private or Company property;
- (b) Gambling on Company property;
- (c) Willful destruction or defacement of private or Company property;
- (d) Possession, sale, use or being under the influence of illicit drugs on Company property or during working hours. If an employee must use a prescription drug which may impact their ability to safely perform their work during working hours, written authorization from their doctor must be given to their supervisor;
- (e) Violation of traffic or parking regulations while using Company or customer vehicles. Also, failure to properly report any type of accident involving a Company or customer vehicle.

(2) **Improper Behavior:**

- (a) Falsification or misrepresentation of information on any Company form, i.e., time cards, application, Company and personnel records;
- (b) Possession, use or being under the influence of alcohol on Company property during working hours;
- (c) Fighting on Company property;
- (d) Immoral or indecent conduct on Company property;
- (e) Sleeping during work time;
- (f) Threats, intimidation including using obscene, abusive or threatening language to any Company employees or members of the public;
- (g) Carrying or bringing a weapon or concealed weapon to work including: bringing any type of concealed weapon in a personal or Company vehicle used for Company business; bringing weapons of any kind onto any Company property or work site.
- (h) Disorderly conduct such as practical jokes, horseplay, etc.
- (i) Making defamatory or false statements detrimental to the facility's operation or good standing in the community.

(3) **Work Standards:**

- (a) Disregarding instruction of supervisor or proper authority;
- (b) Failure to be courteous and polite at all times to other employees and customers;
- (c) Failure to notify your supervisor twenty-four (24) hours prior to the beginning of a shift that you will not be reporting to work;

- (d) Leaving work area, job assignment or department during working hours without proper authorization;
- (e) Failure to observe work schedules including rest and lunch periods;
- (f) Failure to observe safety rules and regulations;
- (g) Contributing to unsanitary conditions or poor housekeeping;
- (h) Inefficiency, lack of productive effort or other unsatisfactory work performance;
- (i) Unauthorized use of Company time, materials or equipment for personal activities;
- (j) Unsuitable or improper attire for the work situation;
- (k) Failure to report for work without any notification to your supervisor for even one (1) day. Failure to report to work for three (3) consecutive working days without proper authorization. Employees failing to provide this notice will be considered to have voluntarily terminated their employment;
- (l) Excessive number of absences or tardies;
- (m) Smoking in areas not designated for smoking; (Only cigarette smoking is permitted.)
- (n) Company vehicles are only to be used for Company business, commuting to and from work and occasional local use. Any other personal use of a Company vehicle, including travel outside the Company working area, is strictly prohibited.
- (o) Being on the premises at unauthorized times without proper reason or loitering before and after shifts.
- (p) Adding personal software to Company computers without prior written authorization is strictly prohibited.

Q. ELECTRONIC COMMUNICATIONS USAGE

Electronic mail and other electronic communications are considered an integral part of the corporate working environment. The following types of electronic communications are the property of Crunch Care, Inc.:

- Telephones, cellular phones & voicemail facilities
- E-mail/instant messaging accounts
- Fax machines, modems, and servers
- Company-supplied computers
- Network tools such as internet access

This policy applies to (a) all electronic resources owned or leased by the Company, and (b) all activities using any Company-paid accounts, subscriptions, or other technical services, such as Internet access, cell phone service, voice mail service, and e-mail/instant messaging (collectively “electronic communication systems”). This policy applies whether or not the activities are conducted from Company premises.

All messages composed, or information sent or received through the electronic communication systems are and remain the property of the Company. They are NOT the private property of any employee, and should not be considered private. Crunch Care, Inc. reserves and intends to exercise the right to review, audit, intercept, access, print, read and disclose all messages created, received or sent over the electronic communication systems for any purpose. Please note that even when a message is deleted, it is still possible to recreate the message; therefore, ultimate privacy of messages cannot be guaranteed to anyone.

Employees are not to use a password, access a file, or retrieve any stored communication without authorization. Passwords must be made known to the company as your system may need to be accessed by the company when you are absent. The reliability of passwords for maintaining confidentiality cannot be guaranteed. You must assume that any and all messages may be read by someone other than the intended or designated recipient.

Employees are prohibited from disclosing their voice or E-mail access password(s), or those of any other employee, to anyone who is not an employee of the Crunch Care, Inc.. Disclosure of passwords to other employees only should occur when required by an urgent business matter as directed by management. In such cases, passwords should be changed as soon as possible after the urgent business matter has been resolved. Passwords never should be given out over the phone, included in voice or E-mail/instant message, messages posted, or kept within public view.

The use of the electronic communication systems is reserved solely for the conduct of business of the Company. It is NOT intended to be used for personal business. Employees accessing the Internet, the Company’s Intranet or World Wide Web represents the Company when doing so. Accordingly, all such communications should be for professional, business reasons. Each employee is responsible for ensuring that he or she uses his or her Internet access privilege in an effective, responsible, ethical and lawful manner. Employees should not use the Company’s electronic communication systems to access social media including, but not limited to, MySpace, Facebook, Twitter, or YouTube.

The electronic communication systems shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or other confidential materials without prior authorization. The Company purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, the Company does not have the right to reproduce such software for use on more than one computer. Employees may only use software on local area networks or on multiple machines according to the software license agreement. The Company prohibits the illegal duplication of software and its related documentation.

All electronic communications shall comply with the Equal Employment Opportunity and Discrimination Policy, Policy Against Harassment, and the Solicitation/

Distribution Policy. In no circumstance are the electronic communication systems to be used to create any offensive or disruptive messages, or any message that might constitute (or indicate the condoning or encouragement of) harassment, lewd, illicit or illegal activities. Among those which are considered offensive, are any messages which contain sexual implications, racial slurs, gender specific comments, or any other comment that offensively addresses someone's age, sexual orientation, religious or political beliefs, national origin or disability. The electronic communication systems may not be used to solicit for commercial ventures, religious or political causes, outside organizations, or other non-job-related solicitations. Employees learning of any misuse of the voicemail/e-mail/instant messaging system or violations of this policy shall notify Human Resources Department.

Due to concerns regarding the potential for invasion of privacy, sexual or other harassment, and protection of proprietary or confidential information, employees may not use any audio or video recording devices while on working time. Employees also may not use any audio or video recordings in work areas that Crunch Care, Inc. has identified as confidential, secure or private, unless the employee is engaged in protected activity related to improving the terms and conditions of his/her employment, such as documenting health and safety issues.

Employees may access only messages, files or programs, whether computerized or not, that they have permission to enter. Exceeding authorized access to confidential information and unauthorized review, duplication, dissemination, removal, damage or alteration of files, passwords, computer systems, data bases or programs, voicemail messages or other property of the Company, or improper use of information obtained by unauthorized means, will be grounds for disciplinary action, up to and including termination, and may result in criminal prosecution under state and federal law, including the Computer Fraud and Abuse Act.

All electronic communication systems are to be used in a commercially reasonable fashion. No Company-wide e-mails, instant messaging, voice messages, or faxes are to be initiated unless a business necessity exists.

Violation of the electronic communications policy will result in disciplinary action, up to and including immediate termination, and may result in criminal prosecution under state and federal law.

R. SOCIAL MEDIA POLICY

Crunch Care, Inc. (the "Company") recognizes that many employees engage in "social media activity" while off duty. This Social Media Policy (the "Policy") provides guidance on responsible social media activity by employees. This Policy does not and cannot cover every possible social media activity. If you are unsure how this Policy may apply to your social media activity, please contact your manager or your representative from the Human Resources Department. For purposes of this Policy, social media activity includes all types of postings on the Internet, including but not limited to, postings on social networking sites (such as Facebook, LinkedIn, and Tumblr); blogs and other on-line journals and diaries; bulletin boards and chat rooms; microblogging, such as Twitter; and postings of video or audio on media-sharing sites, such as YouTube or Flickr. "Social media activity" also includes permitting, or failing to remove, posts by others where the employee can control the content of posts, such as on a personal page or blog.

Application: This Social Media Policy applies to all employees. This Policy applies to social media activity that relates in any way to the Company’s business, employees, customers, vendors, or competitors or that identifies an employee’s affiliation with the Company (other than as an incidental mention of place of employment in personal social media activity unrelated to the Company).

- **Scope:** This Policy applies to social media activity when on or off duty, while using the Company’s or personal electronic resources, and whether or not the employee posts anonymously or using a pseudonym. You may use the Company’s electronic resources to engage in social media activity for non-business purposes as long as that activity involves only an incidental amount of your time, does not interfere with your or your co-workers’ job responsibilities, and complies fully with all Company policies. You may not maintain an open connection to, or stream, any social media site. Such non-business use is a privilege that may be withdrawn if abused.

Social Media Guidelines

The Company values its established brand reputation and good will relationships. These are important corporate assets. When you engage in social media activity that identifies you as a Company employee, or in any way relates to the Company, you should bear that in mind and follow the guidelines listed below:

- Your social media activity is subject to all pertinent Company’s policies, including, but not limited to, the Equal Employment Opportunity and Discrimination Policy, Electronic Communications Usage Policy, Confidential Files and Information Policy, Policy Against Harassment, Policy Regarding Property, Privacy and other personal conduct policies.
- Unless you have received prior authorization from CEO, you should not represent or suggest in any social media content that you are authorized to speak on the Company’s behalf, or that the Company has reviewed or approved your content. If that will not be obvious from the content, you should specifically state, *“The views expressed in this post are my own. They have not been reviewed or approved by Crunch Care, Inc.”*
- The Federal Trade Commission requires that endorsements be truthful and not deceptive. If your social media activity endorses the Company’s products or services, *i.e.*, expresses opinions, beliefs, findings or experiences concerning the Company’s products or services, you must disclose your name and position with the Company. Unless the Company has approved any such endorsement in writing and in advance, you should specifically state, *“The views expressed in this post are my own. They have not been reviewed or approved by Crunch Care, Inc.”*
- You should consider using available privacy filters or settings to block supervisors, customers, vendors or competitors who may have access to your social media activity any overly personal information about you.

- You should not post content about the Company, management, co-workers or customers that is vulgar, obscene, threatening, intimidating, defamatory, harassing, or a violation of the Company's policies against discrimination, harassment, or hostility on account of age, race, religion, sex, ethnicity, nationality, disability, or other protected class, status, or characteristic. You should not make knowingly false statements about the Company's products or services, or the products or services of its customers, vendors or competitors.
- You should not use the Company's logo, trademark or proprietary graphics without the express prior authorization of CEO. You should not use the Company's logo, trademark or proprietary graphics (collectively, intellectual property or "IP") for any commercial purpose, such as selling or advertising any product or service, without the Company's prior written consent. You should not use the Company's IP in any posting unrelated to the terms or conditions of your employment that disparages the Company's brand, products or services. You should not use the Company's IP in a way which suggests that you are representing the Company or while engaging in conduct that violates Company policy.
- You should not disclose, or post images or video of, any of the Company's trade secrets or confidential business information or of any confidential business processes. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Confidential business information may include internal reports, policies, procedures; business plans and product-launch dates; health/financial information of patients/customers; the Company's attorney-client communications or other internal business-related confidential communications.
- You should not post images or video of the Company's employees, customers, vendors or competitors that would be discriminatory, harassing, threatening, vulgar, obscene or similarly inappropriate or offensive.
- To reduce the risk of identity theft, stalking, and similar criminal conduct, you should not disclose personally identifying information (such as personal contact information contained in the Company's files, Social Security numbers, credit or debit card numbers or financial account numbers) of the Company's employees, customers, vendors or competitors. You should not mention customers, vendors or competitors in your social media activity without the Company's written approval.
- To ensure that the Company communicates with the media in a consistent, timely and professional manner about matters related to the Company, you should speak to your manager and the Human Resource Department before responding to any inquiry from a journalist or the news media about your social media activity related to the Company.
- Anyone concerned about social media activity relating to the Company that may require a response may contact Human Resources as a resource.

The following guidelines also apply to your social media activity:

- Managers should avoid situations that may compromise their ability to lead or make objective management decisions or that might undermine the culture within the location(s); keep this in mind when making or responding to friend requests. Any employee may reject a friend request from any other employee without fear of retaliation.
- Employees may not use Company-sponsored sites to solicit for or promote personal businesses or any organization, including but not limited to outside business ventures, charities, political campaigns, religious groups, or other membership organizations.
- Employees may not use their Company e-mail address to register for any social media account or site, or as an identifier needed to participate in any social media activity, except to engage in social media activity authorized by the Company and for the Company's business purposes. Employees may reference the Company as their employer and include business contact information on social and professional networking sites only, such as LinkedIn and Facebook.
- Employees should use only approved social media channels — and not personal social media sites or pages — to conduct Company business. Without prior Company approval, social media should not be used to arrange business meetings, communicate with customers about specific transactions, or to search for information about current or prospective employees for purposes of making an employment decision.
- All requests for references or recommendations received through social media activity must be handled in accordance with the Company's policy on responding to these requests.
- Company has the right to request, in its sole and absolute discretion, that employees temporarily confine their social media activity to matters unrelated to Company if the Company determines this is necessary to ensure compliance with securities regulations or other laws.

Addressing Concerns

Experience demonstrates that you are more likely to resolve concerns about work by speaking directly with your co-workers, supervisor or other management-level personnel or by contacting the Company's Human Resources, than by posting them on the Internet. Nevertheless, if you decide to express concerns in social media, avoid using any content that reasonably could be viewed as malicious, obscene, threatening or intimidating; that disparages employees, customers, or vendors; or that might constitute harassment or bullying.

Retaliation

Crunch Care, Inc. prohibits taking adverse action against any employee for reporting a possible violation of this Policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible violation of this Policy or for

cooperating in an investigation will be subject to disciplinary action, up to and including termination of employment.

Enforcement

If you need clarification of any aspect of this policy, contact the Human Resource Department.

The Company will, in its discretion, review social media activity to the fullest extent permitted by applicable law. If you engage in social media activity anonymously or using a pseudonym, which violates this Policy, the Company will, in appropriate circumstances, take steps to determine your identity.

Employees are solely responsible for their social media activity and will be held accountable for violating this Policy. Failure to comply with this Policy may lead to discipline, up to and including termination of employment, and if appropriate, the Company will pursue all available legal remedies. The Company also may report suspected unlawful conduct to appropriate law enforcement authorities. The Company will not construe or apply this Policy in a manner that improperly interferes with employees' legally protected social media discussions regarding wages, hours, or working conditions.

S. WORKPLACE VIOLENCE

Violence by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to corporate property in the event that someone, for whatever reason, may be unhappy with a corporate decision or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your supervisor at once. Do not engage in either physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, contact an emergency agency (such as 911) immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are encouraged to report and participate in an investigation of any suspected or actual cases of workplace violence. Your failure to report or fully cooperate in the corporation's investigation could result in discipline.

Violations of this policy will not be permitted and may result in disciplinary action up to and including termination.

T. DEDICATION OF SERVICES

Employee agrees that while Employee is employed by the Company, during the Company's normal business hours, Employee shall devote Employee's entire productive time, ability and attention to the business of the Company. The Employee further agrees that during the period of employment by the Company, Employee will not, without the Company's prior written consent, directly or indirectly engage in any employment, consulting, or other activity which would conflict with Employee's employment obligations to the Company.

U. **CONFLICT OF INTEREST**

Crunch Care, Inc. demands all employees maintain the highest level of integrity and objectivity in performing their job duties. Employees are expected to conduct their business dealings with suppliers, vendors and customers in a manner that will avoid any conflict of interest, or appearance of a conflict of interest between the employee's interests and the interest of the Company. Any solicitation of, or requirement of, gratuities or gifts from suppliers, vendors, co-workers or from any other third party is strictly prohibited.

It is essential for the protection of both the employee and Crunch Care, Inc. to avoid any situations which might constitute a conflict of interest, such as employment by or financial interest in the business of a competitor, supplier, or customer of Crunch Care, Inc. Therefore, Crunch Care, Inc. has adopted the following guidelines:

A. As a condition of employment, no employee or any member of employee's immediate family, without prior written consent of the Human Resource Manager, may have any financial interest in any of the following:

1. A business supplying Crunch Care, Inc.;
2. A customer of Crunch Care, Inc.; or
3. A competitor of Crunch Care, Inc.

B. Crunch Care, Inc. will not rent, lease or buy other property for its operations from an employee or an employee's relative without the prior written consent of the Human Resource Manager.

C. An employee may not do business with a relative on behalf of Crunch Care, Inc. without prior written consent of the Human Resource Manager.

D. An employee may not give or accept a gift, loan or unreasonable favors from a person having business relations with Crunch Care, Inc. This does not prohibit small gifts or casual entertainment, which are ethically proper. If a person offers an employee a gift or unreasonable favor, the employee has a duty to immediately report the incident to the Human Resource Manager. Any employee who is involved in a conflict of interest or breach of confidentiality will be subject to disciplinary action up to and including termination.

V. **CONFIDENTIAL FILES AND INFORMATION**

As an employee of Crunch Care, Inc. you represent Crunch Care, Inc. to those with whom you come in contact on both a personal and business level. Therefore, your conduct should be such that it will reflect favorably on you and the organization.

Careful custody and handling of Crunch Care, Inc. documents or materials containing confidential information are of critical importance to the well-being of Crunch Care, Inc. Each employee is responsible for safeguarding against the theft, loss, unauthorized use or disclosure of this information. Therefore, if in the course of your work you have access to such material, you must take whatever steps are necessary to assure that it is handled, stored, transmitted or destroyed in a manner which will preclude loss or misuse. Such material may not be copied without the express consent of the originator. As more fully set forth in the Electronic Communications Usage policy, exceeding authorized access to Company confidential information, computer systems and data bases will be grounds for disciplinary action, up to and including termination, and may result in criminal prosecution under state and federal law, including the Computer Fraud and Abuse Act.

Some common confidential matters are:

1. Employee names, addresses and telephone numbers.
2. Employee salaries, performance reviews, and personnel files.
3. Company expenses and financial data.
4. Marketing and sales data and plans.
5. New service developments.
6. Company clients.
7. Anything marked “Confidential”, “Company Private”, “Secret”, “Personal”, etc. Such private and confidential information should be given only to those persons in Crunch Care, Inc. who have a need and authority to know in order to function in their jobs. For everyone else, inside or outside Crunch Care, Inc., confidential means confidential.

No information WHATSOEVER is to be given by any Employee over the telephone to any person without prior approval. If a call is suspect, it should be routed or reported immediately to the Personnel Director. In addition, no information is to be given to a person soliciting information in person. Again, the Personnel Director should be notified immediately.

Employees who use cell phones, cordless phones, portable computers, and facsimile machines should not use these methods for communicating confidential or sensitive information or any trade secret or proprietary information. Employees are not to use their cell or video phones to take unauthorized photographs or videos of proprietary, trade secret or confidential information of Crunch Care, Inc. Unauthorized disclosure of any information shall result in discipline up to and including termination.

All employees will also be required to sign the Company’s separate Confidentiality Agreement. The obligations to maintain the confidentiality of the documents described in this section of the employee handbook, also apply to employees after the termination of their employment.

W. POLICY AGAINST HARASSMENT

Crunch Care, Inc. is committed to providing a work environment free of unlawful harassment. Company policy prohibits harassment because of sex (which includes sexual

harassment, gender harassment and harassment due to pregnancy, childbirth, breastfeeding or related medical conditions) and harassment because of race, religion (including religious dress and grooming practices), color, national origin or ancestry, physical or mental disability, medical condition, marital status, military and veteran status, age, sexual orientation or any other basis protected by federal, state, or local law, ordinance or regulation. ALL SUCH HARASSMENT IS UNLAWFUL.

Crunch Care, Inc.'s anti-harassment policy applies to all persons involved in the operation of Crunch Care, Inc. and prohibits unlawful harassment by any employee of Crunch Care, Inc., including supervisors and co-workers. Crunch Care, Inc.'s policy also prohibits harassment of employees by non-employees.

Crunch Care, Inc. will make every effort to maintain the confidentiality of reported violations of this policy. Certain disclosures are necessary as a part of the investigation process, but will be on a need to know basis only.

This policy also applies to independent contractors working with the Company. Any independent contractor who feels they have been subject to harassment in violation of this policy should immediately report the violation to the Human Resource Manager.

Prohibited unlawful harassment because of sex (sexual harassment, gender harassment and harassment due to pregnancy, childbirth or related medical conditions), race, religious creed, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other protected basis includes, but is not limited to, the following behavior:

- a. Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
- b. Visual conduct such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- c. Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work because of sex, race or any other protected basis;
- d. Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss, and offers of employment benefits in return for sexual favors;
- e. Threats and intimidation that include physical acts or verbal threats of assault that threaten other co-worker's sense of safety in the work environment; and
- f. Retaliation for having reported or threatened to report harassment.

The Company prohibits use of the computers, e-mail system, voice mail system, cell and video phones and any other electronic media in ways which are offensive to others, or are otherwise discriminatory, harassing or obscene, or for any other purpose which is illegal, against company policy or not in the best interest of the Company. For example, the display or transmission of sexually explicit images, jokes, messages, and cartoons is prohibited. Other such misuse of electronic media includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment, discrimination or showing disrespect for

others. Any such use of the computers, e-mail system, voice mail system or other electronic media will be considered a violation of the Company Policy Against Harassment.

If any employee believes that he or she is the victim of any type of harassment, including sexual harassment, that employee should immediately report the incident to an immediate supervisor. If the immediate supervisor is involved in the reported conduct, or, if for some reason the employee feels uncomfortable about making a report to that level, the report should be made to Human Resource Manager. Crunch Care, Inc. will promptly and clearly inform the employee of his or her rights to assistance and how to protect and preserve those rights.

Crunch Care, Inc. will fully and effectively investigate any such report and will take whatever corrective action is deemed necessary, including disciplining or discharging any individual who is believed to have violated this prohibition against harassment. The complaining employee will be informed of the action taken. Crunch Care, Inc. will also take action to protect the complaining employee and to prevent further harassment or retaliation. Finally, the complainant will be made whole, to the extent possible, for his or her losses.

Crunch Care, Inc. clearly does not tolerate harassment on the basis of any of the categories discussed in this policy and will take appropriate disciplinary action whenever such harassment is demonstrated. Any individuals **including co-workers and supervisors** engaging in such conduct contrary to Company policy may be personally liable in any legal action brought against them.

Crunch Care, Inc. does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against an employee for conduct in violation of this policy.

The Company encourages all employees to report any incidents of harassment forbidden by this policy so that complaints can be quickly and fairly resolved. You should also be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed in the telephone book.

X. **NO DATING**

In order to promote the efficient operation of the company's business, to facilitate the legitimate business concerns of the Crunch Care, Inc., and to avoid misunderstandings, complaints of favoritism, other problems of supervision, security, and morale, and possible claims of sexual harassment, all employees are forbidden to date or pursue romantic and/or sexual relationships with employees whom they supervise, either directly or indirectly. If an issue develops in this regard you need to notify your immediate supervisor immediately. Employees who violate this guideline will be subject to discipline, up to and including termination of employment.

Y. **HIRING OF RELATIVES**

The Company will not hire relatives where actual or potential problems may arise regarding supervision, security, safety, or morale, or where potential conflicts of interest exist. “Relatives” are defined to include spouses, children, siblings, parents, in-laws and step-relatives.

Relatives of employees may be eligible for employment with the Company only if individuals involved do not work in a direct supervisory relationship, or in job positions in which a conflict of interest could arise. “Relatives” are defined to include spouses, children, siblings, parents, in-laws and step-relatives. Present employees who marry will be permitted to continue working in the job position held only if they do not work in direct supervisory relationship with one another or in job positions involving conflict of interest. If such a conflict does arise the Company will consider whether reasonable accommodations can be made to eliminate the actual or potential problems.

Z. COMMUNICATIONS WITH YOUR SUPERVISOR

Crunch Care, Inc. believes that the success and strength of any company and the progress and well-being of its individual employees depend in a large measure upon an open and responsive system of communication fostering an effective and mutually beneficial exchange of ideas.

In your supervisor’s day-to-day contact with you, he/she will attempt to keep you informed on Crunch Care, Inc. matters relevant to your work and also bring to the attention of management those problems and areas of concern and interest which may affect, directly or indirectly, the relationship between you and Crunch Care, Inc. Therefore, in order to maintain a meaningful dialogue, the communications between you, your supervisor, and Crunch Care, Inc. must be candid and free-flowing, responsive to mutual concerns and sensitive to both personal and Crunch Care, Inc. goals and objectives. Your cooperation in making this a success is crucial.

AA. SOLICITATION/DISTRIBUTION

The non-solicitation, non-distribution policy is intended to protect the interests of both Crunch Care, Inc. and its employees.

No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the employee or employees at whom such activity is directed.

No employee shall distribute or circulate any written or printed material in work areas at any time, or during his or her working time or during the working time of the employee or employees at whom such activity is directed.

“Working time,” as used in this policy, excludes meals and break periods.

Crunch Care, Inc. will not discriminatorily enforce this rule. Specifically, this rule prohibits solicitation and distribution, at the times and places set forth above, for birthdays, retirements, private parties and/or other non-work related activities.

Violations of the non-solicitation/distribution policy should be reported at once to your supervisor.

BB. POLICY REGARDING PROPERTY, PRIVACY AND SEARCHES

Desks, storage areas, work areas, lockers, file cabinets, credenzas, computer systems, office telephones, modems, facsimile machines, duplicating machines and Crunch Care, Inc. vehicles are Crunch Care, Inc.'s property and must be maintained according to this policy. All such areas and items must be kept clean and are to be used only for work purposes, except as provided in this policy. Crunch Care, Inc. reserves the right, at all times, and without prior notice, to inspect and search any and all Crunch Care, Inc. property for the purpose of determining whether this policy or any other Crunch Care, Inc. policy has been violated, or whether such inspection and investigation is necessary for purposes of promoting safety in the workplace or compliance with state and federal laws. Such inspections may be conducted during or after business hours and in the presence or absence of the employee.

Crunch Care, Inc.'s computer systems and other technical resources, including any voice mail or E-mail systems, are provided for use in the pursuit of Crunch Care, Inc.'s business and are to be reviewed, monitored and used only in that pursuit, except as provided in this policy. As a result, computer data, voice mail and E-mail are readily available to numerous persons. If, during the course of your employment, you perform or transmit work on Crunch Care, Inc.'s computer systems or other technical resources, your work may be subject to the investigation, search and review of others in accordance with the Electronic Communications Usage policy.

Crunch Care, Inc. recognizes that employees may occasionally find it necessary to use Crunch Care, Inc.'s telephones for personal business. Such calls must be kept to a minimum and must be made only during break or meal periods. All personal, long distance telephone calls must be reported to Crunch Care, Inc. in a timely manner and charged to the employee who made the call.

Employees of Crunch Care, Inc. are otherwise permitted to use Crunch Care, Inc.'s equipment for occasional, non-Crunch Care, Inc. purposes with permission from their direct supervisors. Nevertheless, the employee has no right of privacy as to any information or file maintained in or on Crunch Care, Inc.'s property or transmitted or stored through Crunch Care, Inc.'s computer systems, voice mail, E-mail or other technical resources (See Electronic Communications Usage policy). All bills and other documentation related to the use of Crunch Care, Inc. equipment or property are the property of Crunch Care, Inc. and may be reviewed and used for purposes that Crunch Care, Inc. considers appropriate.

The Company may install Global Positioning Systems (GPS) in the Company vehicles. If a Company provided cell phone has a GPS installed, the employee or employees using the cell phone will be notified of this fact. All employees using such cell phones will be required to sign an acknowledgement indicating they are aware the GPS system is in place in the Company cell phone.

CC. VIDEO SURVEILLANCE POLICY

In response to possible workplace theft and other employee misconduct, the Company may install video surveillance cameras in work areas, including but not limited to, storage areas, entrances, exits and other areas where employees work with cash or valuables.

If there is any reported incident of theft, trespass, workplace violence, employee misconduct or any type of safety violation (hereafter collectively referred to as "security

incidents”), the Company will utilize its surveillance equipment as an investigatory tool. As well, the Company will make use of its surveillance equipment to deter any future security incidents.

The Company also reserves the right to actively monitor, through its surveillance cameras, any areas for safety reasons (to protect against failure, breakage, or accident) or confidentiality reasons (to protect documents or other proprietary information). Although the video surveillance policy is intended to monitor for security incidents and other safety reasons at the Company, it is possible that such surveillance may monitor activities not related to the Company’s business.

The Company respects the privacy of its employees. Accordingly, there will be no video cameras installed in the Company’s restrooms or in any changing areas.

The surveillance video cameras and any videotapes prepared from the surveillance are to be used solely for the purposes of this video surveillance policy. Any unauthorized use of these video cameras and/or videotapes is strictly forbidden and may result in discipline leading up to and including termination of employment.

**AGREEMENT AND ACKNOWLEDGEMENT
OF RECEIPT OF EMPLOYEE HANDBOOK**

Employer and Employee agree that this Handbook exclusively sets forth the Company's employment policies and procedures and represents and expresses their complete agreement regarding the terms and conditions of employment. Employer and Employee further agree that none of these policies and procedures can be amended, modified or altered in any way by oral statements or in any other way, but can only be altered by written amendment signed by C.E.O. of Crunch Care, Inc.

I hereby acknowledge receipt of the Employee Handbook for Crunch Care, Inc. I have thoroughly read and understand the Company policy and rules set forth in the Employee Handbook of Crunch Care, Inc. and agree to abide by them.

Employee Signature

Date

ACKNOWLEDGEMENT OF AT-WILL EMPLOYMENT

I understand and agree that my employment may be terminated by Crunch Care, Inc. at any time, with or without cause, and with or without notice, at the option of either the Company or myself. I also understand and agree that the Company retains the right to demote, transfer, change my job duties, and change my compensation at any time with or without notice and with or without cause in its sole discretion. Employer and Employee further agree that this at-will employment policy cannot be amended, modified or altered in any way by oral statements or in any other way, and can only be altered by written amendment signed by C.E.O. of Crunch Care, Inc.

Employee Signature

Date

EMPLOYEE ACKNOWLEDGMENT OF VIDEO SURVEILLANCE POLICY
AND GLOBAL POSITIONING SYSTEMS

I have taken notice and read the Video Surveillance Policy and acknowledge and accept as a condition of employment the existence of video surveillance at Crunch Care, Inc. to maintain a safe work environment and general security.

AND

I am also aware that when I use a Company cell phone that there may be Global Positioning Systems (GPS) installed in the cell phone.

Employee Signature

Date

Employee's Name (please print)

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FORMS

**AGREEMENT AND ACKNOWLEDGEMENT
OF RECEIPT OF EMPLOYEE HANDBOOK**

ACKNOWLEDGEMENT OF AT-WILL EMPLOYMENT

ACKNOWLEDGMENT OF VIDEO SURVEILLANCE POLICY

MEAL, REST & RECOVERY PERIOD PREMIUM AUTHORIZATION FORM

ACKNOWLEDGEMENT OF RECEIPT OF MEAL AND REST PERIOD POLICY

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APPENDIX A

1. **Insurance**

Crunch Care, Inc. provides group medical insurance to all full-time (salaried) employees. All information concerning eligibility for this insurance coverage is available in the Company office.

2. **Pension Plan**

Crunch Care, Inc. provides a pension plan to all full-time employees. All information concerning the eligibility for this pension plan is available in the Company office.

3. **Vacation - (Full-time Salaried employees only)**

After the completion of the first year of continuous employment, regular full-time employees at Crunch Care, Inc. accrue one week of paid vacation. During the second through fifth years of employment, regular full-time employees will accrue two weeks of paid vacation. During the sixth and remaining years of continuous employment, regular full-time employees will accrue three weeks of vacation time. All vacation will be paid at the employee's regular straight time rate. Part-time employees will accrue vacation at a pro-rata rate based on scheduled hours worked.

Employees cannot carry over unused vacation days and must use all earned vacation in the year after the vacation time is earned. If an employee does not use all of his or her vacation days in the year after the vacation time is earned, the employee will be paid for all the vacation time earned on their anniversary date. Vacation may not be taken in less than eight (8) hour periods.

Eligible employees may use accrued vacation time beginning at the end of their first full year of employment at Crunch Care, Inc.

Vacations shall be scheduled so as to provide adequate coverage of job and staff requirements. All employees must give the Company at least six (6) weeks' notice of when they would like to take their vacations. The Company will make the final determination in scheduling vacations.

A terminated employee will receive a prorated share of his or her accrued vacation time during the current vacation year.

4. **Holidays - (Regular full-time employees only)**

The following days are recognized as paid holidays (if they fall on a workday) for all regular full-time (salaried) employees who have completed more than thirty (30) days of employment:

New Year's Day	Washington's Birthday
Memorial Day	July Fourth
Labor Day	Thanksgiving Day
Day After Thanksgiving	Christmas Day

Please note the following exceptions:

a. If you work the first scheduled working day before and the first scheduled working day after the holiday, you will be paid eight (8) hours straight time pay for the holiday.

b. If you do not work the day before or the day after the holiday, there is no holiday pay unless an absence on either day is approved in advance by your supervisor or the absence is otherwise protected by law.

Sick leave does not constitute a work day, unless the absence is otherwise protected by law.

Employees who are on vacation will receive holiday pay for any holiday that falls during their scheduled vacation. Hours paid for holidays will be at regular pay and cannot be added as hours worked for overtime pay.

If the recognized holiday falls on your normal day off (example, Sunday or Saturday for office personnel) you will not be paid holiday pay. If the recognized holiday falls on a normal work day that is less than eight (8) hours, you will be compensated for your normal straight time hours that day.

Temporary and part-time employees are not entitled to holiday pay.

AGREEMENT FOR ON-DUTY MEAL PERIOD

This Agreement is entered into by and between _____
(Employee) and Crunch Care, Inc. (Employer).

I understand that the nature of my work prevents me from being relieved of all duty during my meal period and that I will work an on-the-job meal period that shall be paid for by the Company.

I understand I may revoke this waiver at any time by providing written notice of the decision to do so. This waiver will remain in effect unless I exercise the option to revoke it. If I decide to revoke this waiver, I understand my revocation will be effective the next business day.

This Agreement is freely and voluntarily entered into. Dated this _____ day of _____, 20__, at _____, California.

Employee

Crunch Care, Inc.

By _____

CRUNCH CARE, INC.
DISPUTE RESOLUTION AGREEMENT

1. How This Agreement Applies. This Agreement is governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. and evidences a transaction involving commerce. This Agreement applies to any dispute arising out of or related to Employee's employment with Crunch Care, Inc. or one of its affiliates, subsidiaries or parent companies ("Company") or termination of employment. Except as otherwise provided in this Agreement, this Agreement applies to any dispute that Company may have against Employee or that Employee may have against: (1) Company; (2) its officers, directors, principals, shareholders, members, owners, employees, or agents; (3) Company's benefit plans or the plan's sponsors, fiduciaries, administrators, affiliates, or agents; and (4) all successors and assigns of any of them. Nothing contained in this Agreement shall be construed to prevent or excuse Employee (individually or in concert with others) or the Company from utilizing the Company's existing internal procedures for resolution of complaints, and this Agreement is not intended to be a substitute for the utilization of such procedures.

Except as it otherwise provides, this Agreement is intended to apply to the resolution of disputes that otherwise would be resolved in a court of law, and therefore this Agreement requires all such disputes to be resolved only by an arbitrator through final and binding arbitration and not by way of court or jury trial. Such disputes include without limitation disputes arising out of or relating to interpretation or application of this Agreement, but not as to the enforceability, revocability or validity of the Agreement or any portion of the Agreement.

Except as it otherwise provides, this Agreement also applies, without limitation, to disputes with any entity or individual arising out of or relating to the application for employment, background checks, privacy, employment relationship, or the termination of that relationship (including post-employment defamation or retaliation), trade secrets, unfair competition, compensation, classification, minimum wage, seating, expense reimbursement, overtime, breaks and rest periods, or retaliation, discrimination, or harassment and claims arising under the Fair Credit Reporting Act, Uniform Trade Secrets Act, Civil Rights Act of 1964, 42 U.S.C. §1981, the Rehabilitation Act, the Civil Rights Acts of 1866 and 1871, the civil Rights Act of 1991, the Pregnancy Discrimination Act, Equal Pay Act, Americans With Disabilities Act, Age Discrimination in Employment Act, Family Medical Leave Act, Fair Labor Standards Act, Employee Retirement Income Security Act (except for claims for employee benefits under any benefit plan sponsored by the Company and covered by the Employee Retirement Income Security Act of 1974 or funded by insurance), Affordable Care Act, Genetic Information Non-Discrimination Act, Uniformed Services Employment and Reemployment Rights Act, Worker Adjustment and Retraining Notification Act, and state statutes or regulations, if any, addressing the same or similar subject matters, and all other federal or state legal claims (including without limitation torts) arising out of or relating to Employee's employment or the termination of employment.

2. **Limitations On How This Agreement Applies.** This Agreement does not apply to claims for workers compensation, state disability insurance and unemployment insurance benefits. _

Regardless of any other terms of this Agreement, claims may be brought before and remedies awarded by an administrative agency if applicable law permits the agency to prosecute or adjudicate the claim notwithstanding the existence of an agreement to arbitrate governed by the Federal Arbitration Act. Such administrative claims include without limitation claims or charges brought before the Equal Employment Opportunity Commission (www.eeoc.gov), the U.S. Department of Labor (www.dol.gov), the National Labor Relations Board (www.nlr.gov), or the Office of Federal Contract Compliance Programs (www.dol.gov/esa/ofccp). Nothing in this Agreement shall be deemed to preclude or excuse a party from bringing an administrative claim before any agency in order to fulfill the party's obligation to exhaust administrative remedies before making a claim in arbitration.

Disputes that may not be subject to predispute arbitration agreement as provided by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203) as well as any disputes that may not be arbitrated as provided by an Act of Congress or lawful, enforceable Executive Order are excluded from the coverage of this Agreement.

3. **Selecting The Arbitrator.** The Arbitrator shall be selected by mutual agreement of the Company and the Employee. Unless the Employee and Company mutually agree otherwise, the Arbitrator shall be an attorney licensed to practice in the location where the arbitration proceeding will be conducted or a retired federal or state judicial officer who presided in the jurisdiction where the arbitration will be conducted. If for any reason the parties cannot agree to an Arbitrator, either party may apply to a court of competent jurisdiction with authority over the location where the arbitration will be conducted for appointment of a neutral Arbitrator. The court shall then appoint an arbitrator, who shall act under this Agreement with the same force and effect as if the parties had selected the arbitrator by mutual agreement. The location of the arbitration proceeding shall be in the United States and no more than 45 miles from the place where the Employee last worked for the Company, unless each party to the arbitration agrees in writing otherwise.

4. **Starting The Arbitration.** The party bringing the claim must demand arbitration in writing and deliver the written demand by hand or first class mail to the other party within the applicable statute of limitations period. The demand for arbitration shall include identification of the parties, a statement of the legal and factual basis of the claim(s), and a specification of the remedy sought. Any demand for arbitration made to the Company shall be provided to the Company's Human Resources at 7336 Binnacle Dr., Carlsbad, CA 92011. The arbitrator shall resolve all disputes regarding the timeliness or propriety of the demand for arbitration. A party may apply to a court of competent jurisdiction for temporary or preliminary injunctive relief in connection with an arbitrable controversy, but only upon the ground that the award to which that party may be entitled may be rendered ineffectual without such provisional relief.

5 How Arbitration Proceedings Are Conducted And Class, Collective and Representative Action Waivers. In arbitration, the parties will have the right to conduct adequate civil discovery, bring dispositive motions, and present witnesses and evidence as needed to present their cases and defenses, and any disputes in this regard shall be resolved by the Arbitrator. At a party's request or on the Arbitrator's own initiative, the Arbitrator may subpoena witnesses or documents for discovery purposes or for the arbitration hearing.

You and the Company agree to bring any dispute in arbitration on an individual basis only, and not on a class, collective, or private attorney general basis. Accordingly,

(a) There will be no right or authority for any dispute to be brought, heard or arbitrated as a class action ("Class Action Waiver"). The Class Action Waiver shall be severable from this Agreement in any case in which (1) the dispute is filed as a class action and (2) there is a final judicial determination that the Class Action Waiver is unenforceable. In such instances, the class action must be litigated in a civil court of competent jurisdiction.

(b) There will be no right or authority for any dispute to be brought, heard or arbitrated as a collective action ("Collective Action Waiver"). The Collective Action Waiver shall be severable from this Agreement in any case in which (1) the dispute is filed as a collective action and (2) there is a final judicial determination that the Collective Action Waiver is unenforceable. In such instances, the collective action must be litigated in a civil court of competent jurisdiction.

(c) There will be no right or authority for any dispute to be brought, heard or arbitrated as a private attorney general action ("Private Attorney General Waiver"). The Private Attorney General Waiver does not apply to any claim you bring in arbitration as a private attorney general solely on your own behalf and not on behalf of or regarding others. The Private Attorney General Waiver shall be severable from this Agreement in any case in which there is a final judicial determination that the Private Attorney General Waiver is unenforceable. In such instances and where the claim is brought as a private attorney general, such private attorney general claims must be litigated in a civil court of competent jurisdiction.

Although an Employee will not be retaliated against, disciplined or threatened with discipline as a result of his or her exercising his or her rights under Section 7 of the National Labor Relations Act by the filing of or participation in a class, collective or representative action in any forum, the Company may lawfully seek enforcement of this Agreement and the Class Action Waiver, Collective Action Waiver and Private Attorney General Waiver under the Federal Arbitration Act and seek dismissal of such class, collective or representative actions or claims. Notwithstanding any other clause contained in this Agreement, any claim that all or part of the Class Action Waiver, Collective Action Waiver or Private Attorney General Waiver is invalid, unenforceable, unconscionable, void or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator.

The Class Action Waiver, Collective Action Waiver and Private Attorney General Waiver shall be severable in any case in which the dispute is filed as an individual action and severance is necessary to ensure that the individual action proceeds in arbitration.

6. Paying For The Arbitration. Each party will pay the fees for his, her or its own attorneys, subject to any remedies to which that party may later be entitled under applicable law. However, in all cases where required by law, the Company will pay the Arbitrator's and arbitration fees. If under applicable law the Company is not required to pay all of the Arbitrator's and/or arbitration fees, such fee(s) will be apportioned between the parties in accordance with said applicable law, and any disputes in that regard will be resolved by the Arbitrator.

7. The Arbitration Hearing And Award. Within 30 days of the close of the arbitration hearing, any party will have the right to prepare, serve on the other party and file with the Arbitrator a brief. The Arbitrator may award any party any remedy to which that party is entitled under applicable law, but such remedies shall be limited to those that would be available to a party in his or her individual capacity in a court of law for the claims presented to and decided by the Arbitrator, and no remedies that otherwise would be available to an individual in a court of law will be forfeited by virtue of this Agreement. The Arbitrator will issue a decision or award in writing, stating the essential findings of fact and conclusions of law. Except as may be permitted or required by law, as determined by the Arbitrator, neither a party nor an Arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all parties. A court of competent jurisdiction shall have the authority to enter a judgment upon the award made pursuant to the arbitration.

8. An Employee's Right To Opt Out Of Arbitration. **Arbitration is not a mandatory condition of Employee's employment at the Company, and therefore an Employee may submit a statement notifying the Company that the Employee wishes to opt out and not be subject to this Agreement. If an Employee wants to opt out, he or she must notify the Company of the intention to opt out by submitting a signed and dated statement on a "Dispute Resolution Agreement Opt Out Form" that can be obtained from and returned to the Company's Human Resources Department 7336 Binnacle Dr., Carlsbad, CA 92011 [Fax] 877-256-2577 or by submitting to that Department a written statement signed and dated by Employee stating that Employee is opting out of this Agreement. In order to be effective, the opt out notice must be provided within 30 days of Employee's receipt of this Agreement.** An Employee who timely opts out as provided in this paragraph will not be subject to any adverse employment action as a consequence of that decision and may pursue available legal remedies without regard to this Agreement. Should an Employee not opt out of this Agreement within 30 days of the Employee's receipt of this Agreement, continuing the Employee's employment constitutes mutual acceptance of the terms of this Agreement by Employee and the Company. An Employee has the right to consult with counsel of the Employee's choice concerning this Agreement.

9. Non-Retaliation. It is against Company policy for any Employee to be subject to retaliation if he or she exercises his or her right to assert claims under this Agreement.

If any Employee believes that he or she has been retaliated against by anyone at the Company, the Employee should immediately report this to the Company's Human Resources at 7336 Binnacle Dr., Carlsbad, CA 92011.

10. **Enforcement Of This Agreement.** This Agreement is the full and complete agreement relating to and replaces all prior agreements regarding the formal resolution of employment-related disputes. In addition to as stated in paragraph 5, above, in the event any portion of this Agreement is deemed unenforceable, the remainder of this Agreement will be enforceable. If the Class Action Waiver, Collective Action Waiver or Private Attorney General Waiver is deemed to be unenforceable, the Company and Employee agree that this Agreement is otherwise silent as to any party's ability to bring a class, collective or representative action in arbitration.

AGREED:

CRUNCH CARE, INC.

RECEIVED AND AGREED:

EMPLOYEE NAME PRINTED _____

EMPLOYEE SIGNATURE _____

DATE: _____

DISPUTE RESOLUTION AGREEMENT OPT OUT FORM

By signing and dating below, I am choosing to opt-out of the Crunch Care, Inc. Dispute Resolution Agreement (“Agreement”). I understand that by opting out, I will not participate in or be bound by the alternative dispute resolution procedures described in the Agreement. I further understand that by choosing to opt out I will not be subject to any adverse employment action as a consequence of that decision.

AGREED

CRUNCH CARE, INC.

AGREED:

EMPLOYEE NAME PRINTED _____

EMPLOYEE SIGNATURE _____

DATE: _____

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