



Employee Handbook

2010

DATE: December 23, 2009

TO: All Payrolling.com Employees

FROM: Human Resources at Payrolling.com

The employee handbook has been revised effective December 23, 2009 and is published online at www.payrolling.com. This handbook supersedes and replaces any prior handbooks.

Please take a few minutes to review the information in this new handbook. Although we tell you about changes as they occur, this is a good time to review the policies, procedures and benefits that affect you and your work. If you have questions, contact Payrolling.com.

We continue to study ways to improve the quality of life for employees, so the benefits described in this handbook may be improved, modified or terminated at any time. Remember that statements made here do not create an expressed or implied contract between you and Payrolling.com for employment or for any benefit.

Please acknowledge that you have received and reviewed this handbook by completing the receipt/acknowledgement portion below and returning it to Payrolling.com.

Receipt/Acknowledgement

This is to acknowledge that I have reviewed the Payrolling.com Handbook dated December 23, 2009 (in print and/or electronically), and will immediately familiarize myself with the information included in this handbook. I understand that revisions may be made periodically and that the updated version will be maintained on the company's server and in the Human Resources Department at Payrolling.com.

If I have questions or don't understand parts of the handbook, I'll seek clarification from Payrolling.com. I understand that if I don't have access to a computer at work that I can always get a copy of the most recent handbook from my supervisor or Payrolling.com.

I agree to comply with the guidelines, policies and procedures as stated in this handbook. I understand my employment can be terminated at the option of either myself, or the company at any time.

Printed Name

Signature

Date

Notice to Employees

This handbook summarizes policies and procedures for all Payrolling.com employees. Policies, procedures and benefits described in this handbook may be improved, modified or terminated at any time at the discretion of the company.

The statements in this handbook do not create an express or implied contract of employment or for any benefit. All employees of the company are employees at will. Employees are free to resign at any time, and the company, likewise, retains the right to terminate an employee's employment at any time with or without notice or cause.

This handbook supersedes and replaces any prior handbooks. These policies and procedures cannot be amended or altered by oral statements; only written amendments by authorized management officials will constitute changes to statements made in this handbook.

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WELCOME TO PAYROLLING.COM

You've joined a company on the move, and we're glad you're now part of our team. At Payrolling.com, we're committed to exceptional customer service, which sets us apart from the competition and keeps Payrolling.com a preferred vendor for all contingent workforce needs.

We're counting on you to do well. And, have fun along the way.

Laverne Kato

President/CEO

We're Glad You're Here

Working with Payrolling.com is a challenging and rewarding experience. You'll meet a diverse group of people who are excited about working for our dynamic company.

This handbook provides, in general terms, answers to some of the questions you may have as an employee.

- Please visit our website (www.payrolling.com) for employee benefits and resources and up-to-date information about the company.

General Overview

- **Payrolling.com** is your employer. You are a temporary employee working for Payrolling.com and assigned to a Client Company. You are not an employee of Payrolling.com until there is confirmation of receipt of your paperwork and you receive a Payrolling.com welcome letter. This Handbook does not represent a contract of employment.
- Your employment with Payrolling.com and assignments at your Client Company are considered “at will” meaning that either party can terminate assignments at any time with or without cause.
- You will be paid on actual hours worked (unless otherwise agreed) and hours must be preauthorized by a Client Company representative. You are not approved to work overtime or incur business expenses unless approved in advance by an authorized supervisor at the Client Company. All time records submitted must reflect hours worked for corresponding days and pay weeks. As a Payrolling.com employee, your pay week starts on Monday and ends on Saturday.
- **If an adjustment is needed on your check or timecard or if you have been denied any type of earning or benefits, you will need to contact Payrolling.com immediately.** Timecards or payments may be disputed within thirty days after receipt. After that time, Payrolling.com and the Client Company will be released from any liability for those hours, wages or any other compensation.
- Unless otherwise specified, your hours must be approved by 2PM PST every Monday. **Checks are issued on Wednesdays and funds will be available according to the payment choice you elected.**
- Payrolling.com pays overtime based on state and federal laws. *If applicable*, you may not qualify for overtime if the position has been deemed as Hourly/Salary Exempt. Payrolling.com complies with Federal Labor Standards Act. Unless otherwise notified, holiday/vacation/sick days are not paid by Payrolling.com. All Payrolling.com employees are paid for actual time worked.
- Through Payrolling.com, you may be eligible for medical/dental insurance, flexible spending accounts, 401(k) plan and corporate fitness memberships. (A summary of the benefits are described in the Handbook or on www.payrolling.com). **Please note that enrollment deadlines for benefits do apply.**
- It is your responsibility to notify Payrolling.com within 48 hours of completion of your assignment and to provide an updated resume to resumes@payrolling.com. Failure to do so may result in denial of unemployment benefits. You are responsible for returning all employer equipment (i.e. work badge, uniform, laptop, etc.) within 48 hours of your assignment being terminated.
- You are required to download your W-2 form from www.payrolling.com/www.timeq.com at the beginning of the year. If you are unable to do this, you will need to opt out by calling 1-800-691-3075 at the beginning of the year.
- **California Employees:** For detailed information on California regulations, including information on the Paid Family Leave and State Disability programs, please visit www.payrolling.com.

Equal Employment Opportunity

Payrolling.com is committed to building a company whose people reflect the true diversity of our community.

Payrolling.com is committed to creating a work environment in which employment decisions are free of discrimination based on race, religion, national origin, sex, age, sexual orientation, marital status, disability, genetic information, or veteran status.

Work Eligibility

The Immigration Reform and Control Act of 1986 (IRCA) requires all employers operating in the United States hire only people legally eligible to work in the United States. You must prove your employment eligibility by showing support documentation listed on Immigration and Naturalization Service (INS) form M-274. The company complies fully with IRCA.

Verifications will be conducted, and each hiring authority will properly complete documentation. Without complete and proper documentation, you will not be added to or kept on the payroll.

You must present sufficient documentation to legally establish your identity and your eligibility to work in the United States within 3 business days of your start date. Acceptable documents are listed in the instructions for completing the I-9 form. You must present original documents. Photocopies will not be accepted. Please use the same name shown on your documents on the I-9 form and all payroll forms. You are responsible for updating any eligibility documents before they expire.

E Verify: Payrolling.com will provide your SSN to the Social Security Administration, SSA, and may also provide your SSN to the Department of Homeland Security, DHS, from your completed I9 form to verify authorization to work in the United States.

If the U.S. government is unable to verify your authorization to work in the United States, you will be given instructions and opportunity to contact the SSA/DHS before any adverse action is taken. Adverse action can include termination of employment.

If you believe Payrolling.com has violated its responsibilities per the EVerify program or has acted in discrimination against a protected class please call the Office of Special Counsel at 1-800-255-7688, (TDD: 1-800-237-2515).

For more information please go to the following link to view the EVerify Poster
<http://www.payrolling.com/forms.html>.

Open Door Policy

From time to time problems or complaints may arise that affect your work. To maintain an open and productive working environment and one that is responsive to your problems and concerns, you are encouraged to discuss these matters with your On-site Supervisor or Payrolling.com.

If you feel you are the victim of harassment, discrimination or unfair treatment of any kind, you should use this Open Door Policy and contact Payrolling.com.

Exempt or Non-Exempt

The Fair Labor Standards Act requires that certain employees be paid overtime premium for all hours worked in excess of 40 in a workweek. These employees are considered non-exempt.

Employees who don't fall under the provisions of the Act are called exempt. They are not paid overtime.

Your On-site Supervisor must approve all overtime in advance. Employees who violate this policy may be subject to discipline, up to and including dismissal.

Many states have different wage and hour statutes and must be complied with as well. Please contact Payrolling.com for questions on these statutes.

Personnel Files

Access to personal information contained in your personnel file is limited and its confidential nature is consistently safeguarded.

References, credit checks, and similar requests will be answered only with a statement as to whether you are presently employed, your current or last job title, your work location, and your period of employment. Salary may be verified only if you give written permission. Otherwise, no personal information about you will be released to anyone outside Payrolling.com, unless required by law.

If, as an active employee, you wish to see your personnel file, contact Payrolling.com and arrangements will be made for you to review it in the presence of a human resources representative.

COMPENSATION

Federal Wage and Hour Laws require that employers keep accurate record of time worked and wages. Payroll time sheets are the most common method of keeping track of hours worked and are the method used here. All employees are expected to accurately record hours worked each week on a form provided by TimeQ, which can be accessed by logging onto www.timeq.com. These forms record hours worked, and compensation. Your On-Site Supervisor must sign your time sheet and any changes made to your time sheet each week.

Each employee should prepare his or her own time sheet. You should not ask another staffer to prepare your time sheet, nor should you prepare another staffer's time sheet. Falsification of a time sheet may lead to disciplinary action up to and including dismissal.

Employees are paid on a weekly basis unless the Client Company you are assigned to requests other payment arrangements. If you wish to pick up your paycheck at the Payrolling.com office, you must indicate this on your timesheet each week or make arrangement with your Payrolling.com Account Manager. Unless otherwise indicated, checks will be available for pick up on Thursday after 12:00 noon. If you do not elect direct deposit or instruct Payrolling.com to hold your paycheck, it will be mailed to you on Wednesday. If mailed, please allow 3-10 business days to receive payment.

Direct deposit is our standard payroll plan and is available at many area banks. If you choose to have your check deposited directly into your bank or credit union checking or savings account, you will receive an "Advice of Deposit", which details all withholdings and is similar to the check "stub" you would otherwise receive. Unless otherwise indicated, your direct deposit net pay will be in your account on Thursday morning following each payday. Direct Deposit enrollment forms are located on our website, www.payrolling.com, under Forms. If you do not have access to our website, please contact Payrolling.com and a form will be mailed to you.

Paychecks cannot be issued in advance of your regularly scheduled payday. Salary advances are not available.

Expenses

You must obtain authorization from your On-Site Supervisor at the Client Company you are assigned to before you may incur business expenses for which you will be requesting reimbursement. The Client

Company you are assigned to must notify Payrolling.com of the authorized expenses. If you are authorized to be reimbursed for business travel and/or business entertainment expenses, you should complete and submit an Expense Report immediately after expenses are incurred. In no event are expenses to be submitted more than one (1) month after they are incurred. Payrolling.com reserves the right to decline payment for expenses, which are submitted more than one (1) month after they are incurred. Falsification of expense accounts -- regardless of the amount -- is grounds for disciplinary action up to and including termination.

Garnishments

A garnishment is a court order to an employer to withhold a sum of money from an employee's wages or salary.

Under Title III of the Consumer Credit Protection Act, no employer may discharge an employee because his or her earnings have been subjected to garnishment for a single indebtedness. No company representative should make any threat of discipline or dismissal for garnishment in connection with any single debt.

EMPLOYEE RESPONSIBILITIES

As an employee of this company, you have certain responsibilities and obligations. Your first responsibility is to do a good job of the work assigned to you. Doing a good job implies other obligations on your part, such as mental alertness, good judgment, promptness, regular attendance, cooperation with co-workers, and compliance with work rules and rules of conduct.

We hope you will be a proud representative of your company and will represent Payrolling.com and Client Companies and its policies accurately and positively.

Absence/Tardiness

If you will be absent from work for any reason, notify your On-Site Supervisor as far in advance as possible.

1. Scheduled absence: All time off must be requested in advance and submitted in writing to your On-Site Supervisor with a copy sent to: absent@payrolling.com. All absences will be recorded. Payrolling.com's Benefit Department must be contacted immediately for leaves of absences.

2. Unscheduled Absence: The employee must notify his/her On-Site Supervisor as soon as possible regarding their unscheduled absence and at the latest, by the time the employee was to report to work. It is not permissible to be gainfully employed elsewhere while out on leave. Any employee doing so will be considered to have voluntarily resigned without notice and to not be in good standing at the time of resignation.

Employees are expected to be punctual in reporting to work. Notify your On-Site Supervisor if you expect to be late. If advance notification is impossible, discuss the matter with your On-Site Supervisor as soon as possible. Failure to report to work or contact your On-Site Supervisor in a timely manner, you will be considered to have voluntarily terminated your employment by job abandonment. Your termination date will be considered your last day actually worked.

Absenteeism or tardiness may interfere with your contributions and those of fellow employees and can lead to disciplinary action up to and including termination.

Accident and Injury Reporting

If you are injured while at work -- no matter how slightly -- notify your On-Site Supervisor immediately. Your On-Site Supervisor or Payrolling.com can assist in securing medical attention if necessary. In cases of serious injury, call an ambulance immediately (911) and inform your On-Site Supervisor and Payrolling.com that you have done so. For minor injuries, first aid supplies are available in each department.

Failure to report a work related accident or injury within 24 hours might result in disciplinary action up to and including termination.

A full report of all on-the-job injuries is required by state law and by our insurance carrier. Related medical expenses are covered by Workers' Compensation insurance and may also include a disability benefit. Contact Payrolling.com for additional information regarding Workers' Compensation.

Conduct

Your performance and professionalism are an important part of employee conduct.

Our policies regarding conduct are designed to benefit both employees and the company. We expect you to use common sense and reasonable judgment at all times. Misconduct or inappropriate behavior are serious matters and can jeopardize employment.

The following are examples of some, but not all situations, that may result in counseling and/or disciplinary action up to and including termination:

- The possession, use, sale or distribution of illegal drugs on company time, on company premises or in company vehicles.
- The unauthorized possession, use, sale or distribution of alcoholic beverages on company time, on company premises or in company vehicles.
- Being at work under the influence of alcohol or any controlled substance.
- The possession, use, sale or distribution of firearms or weapons on company time, on company premises or in company vehicles.
- Gambling on company time, on company premises or in company vehicles.
- Fighting, intimidation or harassment in any form (physical, oral or written) or use of abusive language on company time, on company premises or in company vehicles.
- Insubordinate or disruptive behavior.
- Sexual or other forms of harassment in the workplace, at work-related activities, and when socializing with coworkers, clients and customers outside the workplace.
- Using computer equipment, including, but not limited to e-mail and Internet sites, to engage in harassment, defamation, disclosure of confidential or proprietary information or any other illegal or inappropriate activity.
- Publishing information on a personal Weblog or Internet chat room that contributes to a hostile work environment discloses confidential company information or damages the company's reputation.
- Unsatisfactory work performance for any reason.
- Willful falsification of any record, report or company document.
- Loitering or being away from your regular workplace without permission.
- Violation of company rules.
- Theft of company property or the personal property of fellow workers.
- Using or borrowing company property, including cars, equipment, tools and supplies, without authorization.

This list is not intended to be all-inclusive, but is meant to serve as a guide.

Confidential Information

Every business has information it considers "confidential" or "proprietary" information that must be guarded carefully. Payrolling.com is no exception. There is a variety of information you may come in contact with that seems routine but may be proprietary and should not leave the company in a letter or e-mail, in conversation, or in improperly handled or mislaid documents. Technical know-how, future business plans, customer lists, financial information, personal information about employees, details of sales campaigns, pricing of items and other information are examples of confidential information and should not be disclosed.

We all need to treat company information as confidential. This includes information you know, information kept in paper records and information stored electronically.

Remember, once information is disclosed it may not be able to be taken back. If you are ever uncertain or have any concerns about handling or disclosing business information, err on the side of protecting the information, and then consult with your On-Site Supervisor or Payrolling.com.

Information communicated electronically or published in print or on the Internet should not include remarks that would contribute to a hostile workplace (racial, sexual, and religious), disclose confidential company information, engage in or contribute to illegal or inappropriate activity, or damage the company's reputation.

- Especially important documents should be marked confidential and given special handling.
- Only authorized personnel should provide information to the public.
- Information communicated electronically or published in print or the Internet should not include remarks that would contribute to a hostile workplace (racial, sexual, religious) disclose confidential company information, engage in or contribute to illegal or inappropriate activity, or damage the company's reputation.

One way in which we safeguard our electronic information is with password-protected access. If you have access to electronic information that is password protected, you are expected to maintain the confidentiality of that password. You should not disclose that password to anyone who does not have express authorization to receive it.

Unauthorized disclosure of confidential information about fellow staffers, customers or the company is a serious matter and could be reason for disciplinary action up to and including dismissal.

Driving on Company Business

Certain positions with Payrolling.com require the operation of motor vehicles. Since operating a motor vehicle without a valid operator's license is against the law, if you hold such a position you must have a valid driver's license. If you drive a personal car on company business, you must also carry at least the minimum liability insurance required by state law listed below. Driving with a suspended or revoked license or without required insurance puts the company and you in a position of potential liability. The company periodically reviews driving records and verifies state-mandated liability insurance coverage for employees who drive on company business.

Insurance Minimum limits of: \$100,000 per person
 \$300,000 per occurrence
 \$50,000 property damage

 or \$300,000 combined single limit

If you need a driver's license to do your job, and your license is suspended or revoked, you must immediately inform your On-Site Supervisor and cease to operate any motor vehicle on company time or for company business. If the operation of a motor vehicle is critical to job performance, your employment may be immediately suspended (pending reinstatement of your license) or terminated. Failure to notify your On-Site Supervisor of suspension or revocation of your driver's license, or operating a motor vehicle on company business without a valid operator's license or, for personal cars, without required insurance coverage, will result in disciplinary action, up to and including termination.

Note also that when driving on company business or in company vehicles (including rental cars), employees are expected to use seat belts, as required by law. Employees are not permitted to use hand-held cell phones while driving on company business or while driving company vehicles (including rental cars). Hand-held phones should be used only when the driver can pull over to the side of the road in a designated parking area. Cell phones should not be used while fueling a vehicle. Use of a motorcycle or personal aircraft for company business is also prohibited.

Drug and Alcohol Abuse

We are committed to providing a workplace free from drug and alcohol abuse. We are concerned about the well being of employees whose drug or alcohol use may affect their job performance as well as their safety and the safety and well-being of co-workers.

As stated in our Conduct Policy, the possession, use, sale or distribution of illegal drugs on company time, on company premises or in company vehicles is strictly prohibited. The unauthorized possession, use, sale or distribution of alcoholic beverages on company time, on company premises or in company vehicles is also prohibited, as is being at work under the influence of alcohol or any controlled substance.

Anyone found possessing, using, selling or distributing illegal drugs or, without authorization, possessing, using, selling or distributing alcohol on company time, on company premises or in company vehicles or being at work under the influence of alcohol or any controlled substance will face immediate disciplinary action, up to and including termination.

We reserve the right to require a drug/alcohol test under the following circumstances: pre-employment; to comply with federal regulations; periodically for those in certain safety-sensitive jobs; when an employee is unfit for work and we have reasonable cause to believe he/she may be under the influence of drugs or alcohol; when we have objective evidence of drug presence in the workplace; after an accident if we believe drugs or alcohol may be a factor; and as necessary following an employee's participation in a drug or alcohol rehabilitation program.

Harassment

Payrolling.com is committed to creating a work environment free from all forms of harassment and discrimination. This includes harassment on the basis of race, religion, national origin, sex, age, sexual orientation, marital status, disability, genetic information, or veteran status. Conduct, in the workplace, at work-related activities, and when socializing with coworkers, clients and customers outside the workplace, whether intentional or unintentional, that results in harassment, will not be condoned.

Employee's who feel they have been subjected to sexual harassment, or harassment on any other basis, should immediately report the incident directly to their On-Site Supervisor or Payrolling.com.

Sexual Harassment

Sexual harassment is strictly prohibited. Unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made, either explicitly or implicitly, a term or condition of employment; (2) submission to or rejection of such conduct is used as a basis for employment decisions; or (3) such conduct has the

purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

No employee shall threaten or suggest, either directly or indirectly, that another employee's refusal to submit to sexual advances will adversely affect the employee's continued employment, evaluation, compensation, assignment, advancement, or any other aspect of employment. Similarly, no employee shall promise or suggest, either directly or indirectly, that another employee's submission to sexual advances will result in the improvement of a term or condition of employment for the employee.

Other sexually harassing conduct is also prohibited. This includes offensive sexual flirtations, advances, propositions, verbal abuse of a sexual nature, displays of sexually graphic pictures or objects in the workplace, and unnecessary or offensive touching of an employee, for example, patting, pinching, hugging or repeated brushing against another employee's body. Sexual harassment also includes distribution or display of sexually explicit e-mail, graphics, photos, downloads or websites to coworkers, clients and customers within or outside the workplace.

Sexual harassment may also include harassment where the harasser is not an employee of our company, but is a customer or a vendor or a contractor or a member of the general public. If an employee feels harassed by any of these people, they should complain in the same manner as if a co-worker or a supervisor harassed them.

Complaints

As noted above, employees who feel they have been subjected to sexual harassment, or harassment on any other basis, should immediately report the incident directly to their On-Site Supervisor and/or Payrolling.com.

Personal Appearance

Since many of the jobs with Payrolling.com and the Client Company you are assigned to include some public contact, neatness and appropriate attire are important to maintaining our professional image. The kind of work you do determines the type of clothing you should wear, and your attire should meet accepted professional standards and safety regulations. Your On-Site Supervisor can counsel you on appropriate attire for your location.

Personal Items

Neither Payrolling.com, nor the Client Company you are assigned to is responsible for theft or loss of any personal items located in your work area. Any items of personal nature are the employee's responsibility to secure.

Smoking

In keeping with the company's effort to support a healthy lifestyle and safe work environment, use of tobacco products, including smoking, may be prohibited. Failure to comply with smoking policies may lead to discipline, up to and including termination.

Workplace Violence

Payrolling.com is committed to providing employees with a safe work environment. The company will not tolerate any form of violence, threats of violence, intimidation of others, harassment, coercion or attempts to instill fear in coworkers, customers, vendors, contractors or others. Possession of weapons in the workplace, menacing behavior and "stalking" are all prohibited.

The company encourages employees who may be victims of domestic violence, or suspect that a coworker may be a domestic violence victim, to report those concerns, in confidence, to your On-Site

Supervisor or Payrolling.com. Every effort will be made to ensure the safety of the victim and others in the workplace. Affected employees will also be encouraged to seek counseling from a company-sponsored employee assistance program, the mental health provider associated with their health plan, or through the National Domestic Violence hotline: 1-800-799-7233.

Employees should report incidents of violations of this policy, or concerns that a violent situation may be pending, to their On-Site Supervisor or Payrolling.com.

All reports of incidents violating this policy will be taken seriously.

EMPLOYEE BENEFITS

HealthCare

As a new hire, you may be eligible to participate in Payrolling.com's dental and medical plans.

Dental:

If you are an employee working at least twenty (20) hours per week, you and your dependents are eligible for our dental plan the first of the month following thirty (30) days of employment with Payrolling.com. Our California HMO dental plan requires you to use one dentist who is listed in the provider directory. There is no coverage if you use a non-network dentist.

The Nationwide PPO dental plan offers greater flexibility in choosing a dentist. A list of preferred dentists is available for this plan. If you choose a listed dentist, you will be reimbursed at a higher level than if you choose a dentist who is not listed.

Medical:

Payrolling.com employees, who work at least twenty (20) hours per week, are eligible to participate in our group medical plan, the first of the month following thirty (30) days of employment with Payrolling.com. Please contact our office for plan information and eligibility. If you are eligible to participate and you choose to accept coverage, enrollment forms must be completed and the necessary premium must be paid.

Full descriptions of these plans are available from Payrolling.com.

Deadlines are strictly enforced and benefits can only begin on the first day of the month. If you do not enroll in the health plans by the first of the month following thirty (30) days of your date of hire, you will be unable to enroll until the next Open Enrollment period or if you experience a Family Status Change (birth of a child, marriage, divorce, etc.). In the event of a Family Status Change, enrollment must occur within thirty (30) days of the event. Documentation will be required. Our carriers have the right to decline coverage.

Contact Payrolling.com benefits department for eligibility requirement for yourself and dependents.

Continuation of Coverage (COBRA)

Under the Consolidated Omnibus Reconciliation Act (COBRA) you may arrange to continue, at your expense, your health and/or dental coverage for you and your eligible covered dependents for up to thirty-six (36) months if:

- Your employment terminates for any reason (except gross misconduct); or
- You are no longer eligible for coverage due to a reduction in your work hours.

In addition, your covered spouse and children may elect to continue medical and/or dental coverage for up to thirty-six (36) months if one of the following happens to you while you are actively employed:

- You die;
- You are divorced or legally separated; or
- Your children no longer meet coverage eligibility requirements. Please note that the continued coverage is not automatic. It is your responsibility to notify Payrolling.com if you are legally separated or divorced, or when your child no longer qualifies for dependent coverage.

Continued coverage will stop before the end of the applicable time period if:

- You become eligible for Medicare or other qualified plan.
- In your spouse's case, he or she remarries and becomes covered by another group health plan;
- The required premiums are not paid;
- The plans are terminated.

Right to Continued Health and Dental Insurance Coverage

Under federal law, employees and their dependents may be entitled to the continuation of health insurance coverage. If the Group Policy terminates, continuation of health insurance coverage under the Group Policy will terminate. If the Policyholder maintains any health plan after the Group Policy terminates, then the Policyholder will cause health coverage under the new health plan to continue for individuals who were receiving the continuation of coverage required by federal law. The total period of the continuation coverage required by law will not be affected by termination of the Group policy.

Termination of Coverage

Unless you elect COBRA coverage, your coverage and dependent coverage will end as of the earliest date determined in accordance with the following:

- Upon change of hours to a non-eligible status;
- On the last day of employment with Payrolling.com;
- Upon non-payment of any required premium;
- On the date an individual ceases to be a dependent defined in this plan; or
- The date lifetime maximum benefits have been received.

Coordination of Benefits

The benefits provided by this plan will be coordinated with all other benefit plans. The plan must be reimbursed for any recovered third party liability.

Amendment or Termination of Plan

The Policyholder makes no promise to continue these benefits in the future and rights to future benefits will never vest. The Policyholder has the right to amend or terminate this Plan.

Benefits, Rights, and Obligations After Termination

As described in the Employee Booklet under COBRA.

Statement of ERISA Rights

As a participant in the Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974(ERISA). ERISA provides that all plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office, all plan documents, including insurance contracts, and copies of all documents filed by the plan with the U.S. Department of labor, such as detailed annual reports and plan descriptions.
- Obtain copies of all plan documents and other plan information upon written request to the Plan Administrator.

Appeal Procedure

In addition to creating rights for you, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan,

have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer or any other person may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial. You have the right to have the plan reviewed and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$100 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that plan fiduciaries misuse the plans' money, or if you are discriminated against for asserting your rights, you may seek assistance from the U. S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay the costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; if for example, it finds your claim frivolous.

If you have questions about this statement or about your rights under ERISA, you should contact the nearest area office of the U.S. Labor Management Services Administration, Department of Labor.

401(k) Retirement Plan

401(k) is a qualified retirement program offered to Payrolling.com employees as a means of tax deferring a portion of income. Employees may choose to contribute up to 100% of their pay each pay period, through pre-tax payroll deferrals. This allows you to reduce your current federal and state income taxes. Your maximum deferral percentage and/or dollar amount may also be limited by IRS regulations. A variety of investment accounts are available to you under Payrolling.com's plan. You choose which accounts your contributions are invested in.

Payrolling.com employees are eligible to join the plan the 1st of the month after 60 days of service. Deductions begin the 1st of the quarter after eligibility is met and the completed application is received.

Flexible Spending Account

Employees working thirty (30) hours per week or more may elect to set aside pre-tax dollars via payroll deduction into our "flexible spending accounts".

Un-reimbursed Medical - This allows you to put aside pre-tax dollars to pay for medical and dental expenses for you and your dependents, via payroll deduction. These are expenses, which are not covered under the health plan (for example, your deductible, co-pay, orthodontia, prescription glasses, etc.). Maximum of \$1000 per calendar year.

Dependent Care - Allows you to set aside pre-tax dollars to pay for childcare, via payroll deduction. Maximum per calendar year is \$5000.

A claim form must be submitted with documentation within the plan year. Failure to submit a claim form within thirty (30) days of the end of the plan year will result in forfeiture of funds.

Please visit the benefits section of Payrolling.com for full plan descriptions and to enroll.

Unemployment Insurance

As an employee of Payrolling.com, you are covered by unemployment insurance. The company contributes to both state and federal funds to provide this important coverage for eligible employees.

Workers' Compensation

As an employee of Payrolling.com, you are entitled to apply for Worker's Compensation in the event you have an accident while performing assigned job tasks during course of employment.

If you have an injury on the job, you must call or see your On-Site Supervisor and/or Payrolling.com immediately in order to complete the proper paperwork. You may be entitled to medical and hospital treatment required to curing or relieving you from the effects of work-caused injury or illness. If approved the total cost of all medical and hospital care is paid directly by Payrolling.com's worker's compensation insurance carrier. You must be present for all medical appointments arranged for you (failure to keep appointments may jeopardize your right to benefits).

To qualify for full coverage, it is important that you not go to your own physician immediately following your injury, unless an emergency has arisen and you are unable to report to either Payrolling.com or On-Site Supervisor. Payrolling.com can direct you as to where the Industrial Indemnity (Payrolling.com's carrier) medical facilities are located. The exception to this is employees in California who have completed a Personal Physician Pre-designation form and have placed it on file with Payrolling.com.

Some other facts you should be aware of -- you may lose your right to worker's compensation if you are injured while fighting, intoxicated or injured because of your own serious and willful misconduct. You generally cannot receive unemployment insurance benefits at the same time you are receiving worker's compensation benefits.

Please call Payrolling.com if you have any questions or to report any unsafe situation in any of our work areas.

LEAVE OF ABSENCE

Family Leave of Absence

In compliance with the Federal and State Family Leave Acts, Payrolling.com offers up to 12 weeks of unpaid, job-protected leave for the following reasons:

- Incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for a newly adopted child or a child placed in foster care with you (within 12 months of the placement);
- To care for yourself, spouse, child or parent with a serious health condition;
- For employee's to address certain qualifying contingencies relating to a spouse, child, or parent being called to or on active duty status in the National Guard or Reserves in support of contingency operation.
- A special leave entitlement for up to 26 weeks to care for a covered servicemen who has a serious injury or illness relating incurred in the line of duty on active duty.

Family leave is unpaid leave, although you may use any accrued sick leave or vacation time, if applicable, for any part of the twelve-week period. While you are on family leave, you will continue to be responsible for any medical or dental premiums.

You may request a family leave if Payrolling.com has employed you for at least twelve (12) months and you worked at least 1,250 hours during the previous twelve (12) month period. If your leave qualifies as a family leave, you may take up to twelve (12) weeks of leave during any rolling twelve (12) month period. You may request a subsequent Family Leave 12 months after your previous Family Leave ended.

For more detailed information about family leave, please contact the Payrolling.com Benefits Department.

Some states may have additional family medical/pregnancy leave options. For details, please contact your Benefits Administrator at 800.691.3075 or visit:
<http://www.dol.gov/esa/programs/whd/state/fmla/index.htm>

Worker's Compensation Leave of Absence

If you are unable to work because of a Workers' Compensation injury, you may request a leave of absence. You must be certified disabled by our Workers' Compensation carrier. For additional information, contact the Payrolling.com Benefits department.

Military Leave of Absence

Employees serving in the military are entitled to leave as stated in the Uniformed Services Employment and Reemployment Rights Act (USERRA), outlined below:

Reemployment Rights

You have the right to be reemployed in your civilian job if you leave that job to perform service in the uniformed service and:

- You ensure that your employer receives advance written or verbal notice of your service;
- You have five years or less of cumulative service in the uniformed services while with that particular employer;
- You return to work or apply for reemployment in a timely manner after conclusion of service; and
- You have not been separated from service with a disqualifying discharge or under other than honorable conditions.

If you are eligible to be reemployed, you must be restored to the job and benefits you would have attained had you of not been absent due to military service or, in some cases, a comparable job.

Right to be Free from Discrimination and Retaliation

If you:

- are a past or present member of the uniformed service;
- have applied for membership in the uniformed service; or
- are obligated to serve in the uniformed service; then an employer may not deny you any of the following because of this status:
 - initial employment;
 - reemployment
 - retention in employment;
 - promotion; or
 - any benefit of employment, because of this status.

In addition, an employer may not retaliate against anyone assisting in the enforcement of USERRA rights, including testifying or making a statement in connection with a proceeding under USERRA, even if that person has no service connection.

Health Insurance Protection

- If you leave your job to perform military service, you have the right to elect to continue your existing employer-based health plan coverage for you and your dependents for up to 24 months while in the military.
- Even if you don't elect to continue coverage during your military service, you have the right to be reinstated in your employer's health plan when you are reemployed, generally without any waiting periods or exclusions (e.g., pre-existing condition exclusions) except for service-connected illnesses or injuries.

This notice may be viewed at the U.S. Department of Labor website:
<http://www.dol.gov/vets/programs/userra/poster.pdf>.

Jury Duty

You are encouraged to fulfill your jury duty obligations. All leave to serve on a jury will be unpaid. Your current job or a comparable job will be held for you while you are serving on a jury. If the jury is out early or is not required to report for that day, you are expected to report to work.

GENERAL INFORMATION ♦ SERVICES

Hours of Operation

Payrolling.com's office hours are from 8:00 a.m. to 5:00 p.m. PST Monday through Friday. The Payrolling.com office is closed on the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Day.

Breaks

When applicable, breaks should be taken in accordance with state regulations. For information regarding your state's regulations, contact your Payrolling.com Account Manager or visit: <http://www.dol.gov/esa/programs/whd/state/state.htm>.

In California, non-exempt employees receive a 10-minute break for every four (4) hours worked or fraction thereof. If practical, breaks should be taken during the middle of that period.

If you are a non-exempt employee in California, you must take at least one-half hour for lunch, for shifts lasting longer than six (6) hours. Lunch periods are not compensated.

SAFETY ♦ SECURITY

Be sure to lock personal items, including purses, briefcases and all valuables, in a secure place. Theft, vandalism or other security issues should be reported to your On-Site Supervisor and/or Payrolling.com.

Safety Guidelines

- If safety equipment is necessary in your job, you are required to wear or use it while performing the work for which the equipment is furnished.
- Be alert to potential safety hazards and report them to your manager.
- Use of seat belts is required when driving on company business, or operating company-owned motorized vehicles; use of hand held cell phones while driving on company business is prohibited.
- Report all accidents and injuries at work to your On-Site Supervisor *immediately*.

Think--Be aware of possible hazards and plan to do your job safely.

Ask--If you have any doubt as to how to do your work safely, ask your On-Site Supervisor or co-workers.

Watch your footing--Slips and falls cause more injuries than any other type of accident.

Don't use makeshift ladders--Chairs, boxes, etc., should not be used in place of ladders and step stools.

Use proper tools--And report any defective tools or equipment to your On-Site Supervisor.

Wear proper clothing--Protective devices, such as masks, safety shoes and gloves, should be used when the job calls for them. Shoes worn should be appropriate for the work area.

Protect your eyes and ears--Use goggles, earplugs, safety glasses, face shields, ear protectors when your job requires them.

Avoid back strain--If the object is too heavy, get help.

Attention to injuries--Immediate attention to every injury can prevent serious infection. Your On-Site Supervisor will see that you receive appropriate treatment.

Let your On-Site Supervisor or Payrolling.com know if you are experiencing discomfort or pain that you feel may be caused or aggravated by extensive computer use. It is important that you familiarize yourself with emergency procedures and exits of your worksite.

Medical Emergencies

If you require medical attention for a serious illness or injury, call 911, then notify your On-Site Supervisor so that staff can direct ambulance and emergency service personnel. Also notify Payrolling.com as soon as practical.

For minor injuries, First Aid supplies are available in each department.

IF YOU LEAVE US

End of Assignment

It is your responsibility to notify us immediately upon completion of your assignment. You can email the notice to your Payrolling.com Account Manager, or to info@payrolling.com or by calling the office directly at 800-691-3075. In addition, you must submit an updated resume to our Job Placement Department at resumes@payrolling.com or fax 858.866.2601, within 48 hours of the completion of your assignment. Failure to do so may result in the denial of unemployment benefits. The Job Placement Department may be able to assist you in your search for a new position. For more information on job placement assistance, email resumes@payrolling.com or call 800.691.3075.