

Lenderking Employee Handbook

May 03, 2018

ABOUT THIS HANDBOOK / DISCLAIMER

We prepared this handbook to assist you in finding the answers to many questions that you may have regarding your employment with Lenderking. Please take the time to read it.

We do not expect this handbook to answer all of your questions. Your Supervisor and Human Resources also will be a major source of information.

Neither this handbook nor any other verbal or written communication by a management representative, is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation. Lenderking adheres to the policy of employment at will, which permits the Company or the employee to terminate the employment relationship at any time, for any reason, with or without cause or notice. No one is authorized to provide any employee with an employment contract or special arrangement concerning terms or conditions of employment.

Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Company documents. These Company documents are always controlling over any statement made in this handbook or by any member of management.

This handbook states only general Company guidelines. The Company may, at any time, in its sole discretion, modify or vary from anything stated in this handbook, with or without notice, except for the rights of the parties to terminate employment at will.

This handbook supersedes all prior handbooks.

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Governing Principles of Employment

1-1. Introduction

The success of any company depends on its employees. Lenderking is no different. You were selected to work here because we believe you have the skills to ensure our success in the future. By becoming an employee of Lenderking, you have joined a company with a fine reputation for service.

Lenderking believes in two-way communication between employees and management. You will find that we keep employees informed of new ideas, procedures, and business developments. We encourage your input. This handbook was produced to give you the information you will need while employed here.

Take time to read this handbook. Ask questions of your supervisor if there is anything you do not understand. But most of all, feel free at any time to discuss your concerns with management – it's the only way we'll know about them.

Welcome to Lenderking Metal Products.

Michael D. Semenuk, President

1-2. History

Lenderking Metal Products, founded in 1867, is a custom manufacturer of all types of metal products. Items are fabricated from the flat sheet stage to the finished product. One-of-a-kind or production runs into the thousands are possible.

The company was purchased in 1972 by Michael J. Semenuk and his family. They are only the third owners in the company's history. Mr. Semenuk started with the company as an employee in 1937. He brought over 50 years of experience and craftsmanship to the company. His son, Michael D., now operates the business.

Michael D. Semenuk joined the company in 1980, and is a former Air Force Fighter pilot and civil engineer. His background, along with the twenty years of experience at Lenderking with his father, helps to keep Lenderking at the top of the industry.

The company was previously located in the historic Canton district of Baltimore City. The company moved in June 1995 to its current location where it operates with state-of-the-art machinery and equipment. Lenderking produces metal products and is one of the East Coast's finest manufacturer of quality products.

1-3. Equal Employment Opportunity

Lenderking is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, creed, color, religion, alienage or national origin, ancestry, citizenship status, age, disability or handicap, sex, marital status, veteran status, sexual orientation, arrest record, genetic information or any other characteristic protected by applicable federal, state or local laws. Our management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment.

The Company will endeavor to make a reasonable accommodation to the known physical or mental limitations of qualified employees with disabilities unless the accommodation would impose an undue hardship on the operation of our business. If you need assistance to perform your job duties because of a physical or mental condition, please let the President know.

The Company will endeavor to accommodate the sincere religious beliefs of its employees to the extent such accommodation does not pose an undue hardship on the Company's operations. If you wish to request such an accommodation, please speak to the President.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the President. The Company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. To ensure our workplace is free of artificial barriers, violation of this policy will lead to discipline, up to and including discharge.

1-4. Non-Harassment

It is Lenderking's policy to prohibit intentional and unintentional harassment of any individual by another person on the basis of any protected classification including, but not limited to, race, color, national origin, disability, religion, marital status, sexual orientation or age. The purpose of this policy is not to regulate our employees' personal morality, but to ensure that in the workplace, no one harasses another individual.

If you feel that you have been subjected to conduct which violates this policy, you should immediately report the matter to the President. If you are unable for any reason to contact this person, or if you have not received a satisfactory response within five (5) business days after reporting any incident of what you perceive to be harassment, please contact Alpha Staff at 1-866.800.5904. Every report of perceived harassment will be fully investigated and corrective action will be taken where appropriate. Violation of this policy will result in disciplinary action, up to and including discharge. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, the Company will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. Employees who make complaints in bad faith may be subject to disciplinary action, up to and including discharge.

1-5. Sexual Harassment

It is Lenderking's policy to prohibit harassment of any employee by any Supervisor, employee, customer or vendor on the basis of sex or gender. The purpose of this policy is not to regulate personal morality within the Company. It is to ensure that at the Company all employees are free from sexual harassment. While it is not easy to define precisely what types of conduct could constitute sexual harassment, examples of prohibited behavior include unwelcome sexual advances, requests for sexual favors, obscene gestures, displaying sexually graphic magazines, calendars or posters, sending sexually explicit e-mails and other verbal or physical conduct of a sexual nature, such as uninvited touching of a sexual nature or sexually related comments. Depending upon the circumstances, improper conduct also can include sexual joking, vulgar or offensive conversation or jokes, commenting about an employee's physical appearance, conversation about your own or someone else's sex life, or teasing or other conduct directed toward a person because of his or her gender which is sufficiently severe or pervasive to create an unprofessional and hostile working environment.

If you feel that you have been subjected to conduct which violates this policy, you should immediately report the matter to the President. If you are unable for any reason to contact this person, or if you have not received a satisfactory response within five (5) business days after reporting any incident of what you perceive to be harassment, please contact Alpha Staff at 1-866.800.5904. Every report of perceived harassment will be fully investigated and corrective action will be taken where appropriate. Violation of this policy will result in disciplinary action, up to and including discharge. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. In addition, the Company will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. Employees who make complaints in bad faith may be subject to disciplinary action, up to and including discharge.

1-6. Drug and Alcohol-Free Workplace

To help ensure a safe, healthy and productive work environment for our employees and others, to protect Company property, and to ensure efficient operations, the Company has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all employees and other individuals who perform work for the Company.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises) or while representing the Company, is strictly prohibited. Employees and other individuals who work for the Company also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work. This restriction does not apply to responsible drinking of alcohol at business meetings and related social outings.

Violation of this policy will result in disciplinary action, up to and including discharge.

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any Company employee, including themselves.

TESTING POLICY

Lenderking's substance abuse policy allows for both pre-employment and active employee testing:

- A) Pre-employment Testing. As a condition of employment with Lenderking, job applicants may be required to submit to a drug screen at a Lenderking designated laboratory. This drug screen will only be asked of applicants after an offer of employment has been made. Once an employee has taken the pre-employment drug screen, they will be eligible to start work pending a negative test result. Any applicant who refuses to submit to a drug screening or who tests positive for illegal drugs or alcohol will be denied employment at that time, but may submit another application after six months.

- B) Active Employee Testing. At any time during the course of employment, you may be asked to submit to a drug test. There are some general situations which may result in testing. These can be Post-Accident, Random, Reasonable suspicion, Pre-employment

For more information concerning Lenderking's Substance Abuse Policy, please see a member of the management team. You can raise questions regarding substance abuse and testing without fear of reprisal.

1-7. Workplace Violence

Lenderking is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company and personal property. We do not expect you to become an expert in psychology or to physically subdue a threatening or violent individual. Indeed, we specifically discourage you from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage you to exercise reasonable judgment in identifying potentially dangerous situations. Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Company policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or Supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; demonstrating a propensity to behave and react irrationally

Prohibited Conduct

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee **WILL NOT BE TOLERATED**. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation. To the extent permitted by law, employees and visitors are prohibited from carrying weapons onto Company premises.

Procedures for Reporting a Threat

All potentially dangerous situations, including threats by co-workers, should be reported immediately to any member of management with whom you feel comfortable. Reports of threats may be maintained confidential to the extent maintaining confidentiality does not impede our ability to investigate and respond to the complaints. All threats will be promptly investigated. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If the Company determines, after an appropriate good faith investigation, that someone has violated this policy, the Company will take swift and appropriate corrective action. If you are the recipient of a threat made by an outside party, please follow the steps detailed in this section. It is important for us to be aware of any potential danger in our offices. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.

Operational Policies

2-1. Employee Classifications

For purposes of this handbook, all employees fall within one of the classifications below.

Full-Time Employees – Employees who regularly work at least 40 hours per week who were not hired on a short-term basis.

Part-Time Employees – Employees who regularly work fewer than 40 hours per week who were not hired on a short-term basis.

Short-Term Employees – Employees who were hired for a specific short-term project, or on a short-term freelance, per diem or temporary basis. Short-Term Employees generally are not eligible for Company benefits, but are eligible to receive statutory benefits.

In addition to the above classifications, employees are categorized as either "**exempt**" or "**non-exempt**" for purposes of federal and state wage and hour laws. Exempt employees do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such salary may be paid less frequently than weekly. You will be informed of your classifications upon hire and informed of any subsequent changes to your classifications.

2-2. Trial Period

The first three months of your employment is a probationary period. This is an opportunity for the Company to evaluate your performance. It also is an opportunity for you to decide whether you are happy being employed by the Company. The Company may extend the probationary period if it desires. Completion of the probationary period does not alter an employee's at-will status.

2-3. Your Employment Records

In order to obtain your position, you provided us with personal information, such as your address and telephone number. This information is contained in your personnel file. Please keep your personnel file up to date by informing the Office Manager of any changes. Also, please inform the Office Manager of any specialized training or skills you may acquire in the future, as well as any changes to any required visas. Unreported changes of address, marital status, etc. can affect your withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach you in a crisis could cause a severe health or safety risk or other significant problem.

2-4. Working Hours and Schedule

Lenderking normally is open for business from 6:30 am to 5:00 pm, Monday through Thursday. You will be assigned a work schedule and you will be expected to begin and end work according to the schedule. To accommodate the needs of our business, at some point we may need to change individual work schedules on either a short-term or long-term basis.

Employees will be provided meal and rest periods as required by law. Your Supervisor will provide further details. Shop employees must be ready for work before punching in.

2-5. Timekeeping Procedures

Employees must record their actual time worked for payroll and benefit purposes. Non-exempt employees must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, on forms as prescribed by management.

Shop employees must log their time on jobs via the Online Data collection module. Any entry must be made for each job performed that day. Written job sheets are acceptable when computer problems exist and should include: Employees name, date, job number, and time worked on each job listed under the appropriate operation or short work description of job performed. Job numbers are available from your paperwork.

Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time.

It is your responsibility to sign your time record to certify the accuracy of all time recorded. Any errors in your time record should be reported immediately to your Supervisor, who will attempt to correct legitimate errors.

2-6. Overtime

Like most successful companies, we experience periods of extremely high activity. During these busy periods, additional work is required from all of us. Your Supervisor is responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide you with adequate advance notice in such situations.

Any non-exempt employee who works overtime will be compensated at the rate of one and one-half times his/her normal hourly wage for all time worked in excess of forty (40) hours each week, unless otherwise required by law.

Employees may work overtime only with prior management authorization.

For purposes of calculating overtime for non-exempt employees, the workweek begins on Sunday and ends on Saturday.

2-7. Safe Harbor Policy for Exempt Employees

It is our policy and practice to accurately compensate employees and to do so in compliance with

all applicable state and federal laws. To ensure that you are paid properly and that no improper deductions are made, you must review your pay stubs promptly to identify and report all errors. If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for the Company. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

Under federal and state law, your salary is subject to certain deductions. For example, unless state law requires otherwise, your salary can be reduced for the following reasons:

- Full-day absences for personal reasons beyond the allotted paid time off by law.
- Full-day absences for sickness or disability beyond the allotted paid time off by law .
- Full-day disciplinary suspensions for infractions of our written policies and procedures.
- Family and Medical Leave absences (either full- or partial-day absences).
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event you work less than a full week.
- Any full work week in which you do not perform any work.

Your salary may also be reduced for certain types of deductions such as your portion of health, dental or life insurance premiums; state, federal or local taxes; social security; or voluntary contributions to a 401(k) or pension plan.

In any work week in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness or disability.
- Your absence on a day because your employer has decided to close a facility on a scheduled work day.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.

However, unless state law provides otherwise, deductions may be made to your accrued leave for full- or partial-day absences for personal reasons, sickness or disability.

If you believe you have been subject to any improper deductions, you should immediately report the matter to your supervisor. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact President or any other supervisor in the Company with whom you feel comfortable.

2-8. Your Paycheck

You will be paid bi-weekly for all the time you have worked during the past pay period. Your payroll stub itemizes deductions made from your gross earnings. By law, the Company is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Your payroll stub will also differentiate between regular pay received and overtime pay received.

If you believe there is an error in your pay, bring the matter to the attention of your supervisor immediately so the Company can resolve the matter quickly and amicably.

Your paycheck will be given only to you, unless you request that it be mailed, or authorize in writing another person to accept your check for you.

2-9. Direct Deposit

Lenderking strongly encourages employees to use direct deposit. Authorization forms are available from the office.

2-10. Salary Advances

Lenderking does not permit advances on paychecks or against accrued paid time off.

2-11. Performance Review

Depending on your position and classification, Lenderking endeavors to review your performance after the end of your probation period and annually thereafter. However, please understand that a positive performance evaluation does not guarantee an increase in salary, a promotion, or continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management. In addition to these formal performance evaluations, the Company encourages you and your Supervisor to discuss your job performance on a frequent and ongoing basis.

2-12. Tool Requirement

If you operate a machine or are considered to have a main line of work (i.e. welder, mechanic, brake operator), you are expected to purchase the tools necessary to perform that job. The following are the minimum tools required for all shop employees. New employees must have purchased these tools within one week of being hired:

- 1 Ball peen hammer (2 lb+)
- 10 pc wrench set
- At least a 3/8 drive socket set, minimum 20 pc set
- Screwdriver set
- Pocket scriber
- Allen wrenches
- Tool box
- Combination square
- Hacksaw
- 2-9. Direct Deposit 9
- 10' tape measure
- Center punches
- 2 pair vise grips

Benefits

3-1. Benefits Overview

In addition to good working conditions and competitive pay, it is Lenderking's policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These benefits include time-off benefits, such as vacations and holidays, and insurance and other plan benefits. We are constantly studying and evaluating our benefits programs and policies to better meet your present and future requirements. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs Lenderking provides for you and your family. Of course, the information presented here is intended to serve only as guidelines.

The descriptions of the insurance and other plan benefits merely highlight certain aspects of the applicable plans for your general information only. The details of those plans are spelled out in the official plan documents, which are available for review upon your request from your supervisor. Additionally, the provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") for the plans (which may be revised from time to time). In the determination of benefits and all other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs and this handbook.

Further, Lenderking (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

While the Company intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If you have any questions regarding your benefits, please contact President.

3-2. Paid Holidays

Full-time employees who have completed 30 consecutive days of full time employment without any un-excused absences/lateness/early leave will be paid for the following holidays: Saturday, Sunday and overtime hours do not count for this eligibility.

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

When holidays fall or are celebrated on a regular work day, eligible employees will receive one

(1) day's pay at their regular straight-time rate. Eligible employees who are called in to work on a holiday will receive one (1) day's pay at their regular straight-time rate, and an additional payment of straight-time for the actual time they work that day.

The day before and the day after the holiday must be worked to receive holiday pay. Due to the four day work week, holiday pay is considered 10 hours of pay.

If a holiday falls within an eligible employee's approved paid time off period, the eligible employee will be paid for the holiday (at the regular straight-time rate) in addition to the paid time off day, or, the eligible employee will receive an additional paid time off day at the option of the Company.

If a holiday falls within a jury duty or bereavement leave, the eligible employee will be paid for the holiday (at the regular straight-time rate) in addition to the leave day, or the eligible employee will receive an additional day off at the option of the Company.

3-3. Paid Time Off

Under the new Maryland law, effective February 11, 2018, all employees are eligible for paid time off. From this time on, all sick leave and vacation will be referred to as "Paid Time Off". Lenderking will make a distinction between the paid time off required by law and paid time off for employees with vacation accumulated from Lenderking's previous policy. (see 3.3E, below)

Employees earn one hour of sick leave for every 30 hours worked. Earned sick leave begins to accrue on January 1, 2018 or the date on which the employee begins employment with the employer, whichever is later. Although an employer typically must allow an employee to accrue sick leave for all hours worked, an employer need not accrue sick leave for employees during

- (1) a two-week pay period in which the employee worked fewer than 24 hours total;
- (2) a one-week pay period if the employee worked fewer than a total of 24 hours in the current and immediately preceding pay period;
- (3) a pay period in which the employee is paid twice a month and the employee worked fewer than 26 hours in the pay period.

According to the law, the following restrictions are placed on the accrual and use of paid time off.

- (1) Although you are accruing paid time off, you are restricted from using it during your first 106 calendar days.
- (2) You may not accrue more than 64 hours of sick leave at any time
- (3) You may not use more than 64 hours of paid time off per year, unless you are eligible for extended paid time off. (see 3.3D and 3.3E)
- (4) You cannot carry more than 40 hours of accrued, unused paid time off from year to year.

All examples below assume 10 hour workdays at Lenderking.

Example 1: If you worked 52 weeks at 40 hours per week you would accrue 64 hours of paid time off.

Example 2: You just started to work for the employer. After 30 hours you will have earned one hour of paid time off. You would have to work 300 hours or 30 work days to accumulate one - 10 hour day of sick leave, but cannot use this time until 106 days after your employment began.

3-3A. Permitted Uses of Paid Time Off

Employees are permitted to use paid time off:

- (1) To care for or treat the employee's mental or physical illness, injury, or condition;
- (2) To obtain preventive medical care for the employee or employee's family member;
- (3) To care for a family member with a mental or physical illness, injury, or condition;
- (4) For maternity or paternity leave; and
- (5) For specified circumstances due to domestic violence, sexual assault, or stalking committed against the employee or the employee's family member.

Employees that have accumulated at least 40 hours of unused paid time, off can choose to carry up to 40 hours over to the following year and use that paid time off as "vacation". You are required to submit your request for "vacation" off at least two weeks in advance. The company reserves the right to modify or deny the request when paid time off is used as vacation. Vacation is considered paid time off taken for reasons other than those listed above.

Lenderking will require that an employee provide verification of the need for leave if an employee uses the leave for more than two consecutive shifts.

Absences or lateness not covered under the "Permitted Uses of Paid Time Off" will be subject to our MINIMUM STANDARD OF ATTENDANCE (5.5 below).

3-3B. Notice for Paid Time Off

Lenderking requires the employee to provide reasonable notice of not more than 7 days before the leave would begin. If the leave is not foreseeable, the employee must provide notice as soon as practicable. Employees that

3-3C. Termination and Paid Time Off

Employees will not be compensated for paid time off after termination of employment, but employees who are re-hired within 37 weeks after leaving employment will have their unused accrued leave reinstated.

3-3D. Paid Time Off Used as Vacation for Hire Date after January 2013

Employees hired after January 2013 with adhere to the following schedule:

- 1-4 Years, 40 hours of Earned Paid Time Off accumulated from previous year
- 5-7 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 8 hours
- 8-9 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 10 hours
- 10 -11 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 16 hours
- 12-13 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 18 hours
- 14-15 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 20 hours

15 or More Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 24 hours

Paid Time Off used as vacation is subject to the restrictions in 3.3A Once earned, paid time off used as vacation must be used within that employee's work year, or it is forfeited. This is a use or lose policy and vacation time cannot be exchanged for pay.

3-3E. Paid Time Off for Hire Date before January 2013

Employees that were already eligible for vacation under the old policy and having 5 or more years of service will gain additional time off so as to not have a reduction in paid time off. Use the following schedule:

1-4 Years, 40 hours of Earned Paid Time Off accumulated from previous year
5-7 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 16 hours
8-9 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 24 hours
10 -11 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 32 hours
12-13 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 32 hours
14-15 Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 40 hours
15 or More Years, 40 hours of Earned Paid Time Off accumulated from previous year plus 48 hours

Paid Time Off used as vacation is subject to the restrictions in 3.3A Once earned, paid time off used as vacation must be used within that employee's work year, or it is forfeited. This is a use or lose policy and vacation time cannot be exchanged for pay.

3-4. Sick Leave

Paid Sick Leave is now available to Lenderking employees under the paid time off policy. It is counted as an excused absence only if a doctor's invoice and appointment slip or note is provided to Lenderking for the employee. Sick leave is generally thought of as being provided to an employee who is temporarily medically incapacitated. A release from your medical provider may be required before the employee may report back to work.

If you are on medication that may impair your ability to work you must notify your supervisor and provide a note of your limitations from your doctor.

Employees are encouraged to make doctor or dental appointments for after normal operating hours (i.e. after 5 PM) or on Fridays. If time off is necessary, as a last resort, arrangements must be made in advance through the supervisor. Such time is compensated only to the extent of our paid time off policy.

3-5. Insurance Programs

Full-time employees may participate in the Company's insurance programs. Under these plans, eligible employees may choose to receive comprehensive health and other insurance coverage for themselves and their families, as well as other benefits. Upon becoming eligible to participate in these plans, you will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Of course, feel free to speak to Human Resources if you have any further questions.

3-6. Workers' Compensation

On-the-job injuries are covered by our Workers' Compensation Insurance Policy, which is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident immediately to your Supervisor. Failure to follow Company procedures may affect your ability to receive Workers Compensation benefits.

Return to Work:

Lenderking is concerned about the welfare of its employees. When an employee sustains a work-related injury or illness that limits his/her ability to perform their original job in its entirety, we will strive to provide transitional and/or modified duty for a limited time, until the employee has been cleared by the authorized medical provider to begin performing their original job responsibilities.

This is solely a monetary benefit and not a leave of absence entitlement. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

3-7. Jury Duty

Lenderking realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. You are expected, however, to provide the Company with proper notice of your request to perform jury duty and with your verification of service. You also are expected to keep management informed of the expected length of your jury duty service and to report to work for the major portion of the day if you are excused by the court. If the required absence presents a serious conflict for management, you may be asked to try to postpone your jury duty. Employees on jury duty leave will be paid for their jury duty service in accordance with state law; however, exempt employees will be paid their full salary for any week in which they perform any work for the Company.

3–8. Voting Leave

In the event an employee does not have sufficient time outside of working hours to vote in a statewide election, if required by state law, the employee may take off enough working time to vote. Such time will be paid if required by state law. This time should be taken at the beginning or end of the regular work schedule. Where possible, your Supervisor should be notified at least two days prior to the voting day.

3–9. Retirement Plan

Eligible employees are able to participate in the Company's retirement plan. Plan participants may make pre-tax contributions to a retirement account. Upon becoming eligible to participate in this plan, you will receive an SPD describing the plan in greater detail. Please refer to the SPD for detailed plan information. Of course, feel free to speak to President if you have any further questions.

Leaves of Absence

4–1. Personal Leave

If you are ineligible for any other Company leave of absence, and your absence is not covered under our paid time off policy, Lenderking, under certain circumstances, may grant you a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and you are not eligible for FMLA and CFRA, medical certification also must be submitted. Your request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as your performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. Under unusual circumstances a personal leave may be extended if, prior to the end of your leave, you submit a written request for an extension to management and the request is granted. During your leave, you will not earn vacation, personal days or sick days. We will continue your health insurance coverage during your leave if you submit the monthly premium payments to the Company in a timely manner, subject to the terms of the plan documents. When you anticipate your return to work, please notify management of your expected return date. This notification should be made at least one week before the end of your leave.

Upon completion of your personal leave of absence, the Company will attempt to return you to your original job, or to a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

Failure to advise management of your availability to return to work, failure to return to work when notified, or your continued absence from work beyond the time approved by the Company, will be considered a voluntary resignation of your employment.

Personal leave runs concurrently with any Company-provided Short-Term Disability Leave of Absence.

4-2. Military Leave

If you are called into active military service or you enlist in the uniformed services, you will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, you must provide management with advance notice of your service obligations unless you are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable for you to provide such notice. Provided your absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Please ask management for further information about your eligibility for Military Leave.

If you are required to attend yearly Reserves or National Guard duty, you can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). You should give management as much advance notice of your need for military leave as possible so that we can maintain proper coverage while you are away.

4-3. Family and Medical Leave

The Leave Policy. You are eligible to take up to twelve (12) weeks of unpaid family/medical leave within any 12-month period and be restored to the same or an equivalent position upon your return from leave (subject to the terms of the Family and Medical Leave Act) provided you: (1) have worked for the Company for at least twelve (12) months, and for at least 1,250 hours in the last twelve (12) months; and (2) are employed at a worksite that has 50 or more employees within seventy-five (75) miles. The 12-month period is a rolling 12 months and will be measured backward from the date an employee uses any FMLA leave.

Reasons for Leave. You may take family/medical leave for any of the following reasons: (1) the birth of a son or daughter and in order to care for such son or daughter; (2) the placement of a son or daughter with you for adoption or foster care and in order to care for the newly placed son or daughter; (3) to care for a spouse, son, daughter or parent (called a "covered relation") with a serious health condition; or (4) because of your own serious health condition which renders you unable to perform any of the essential functions of your position. Leave because of reasons (1) or (2) must be completed within the 12-month period beginning on the date of birth or placement. In addition, spouses employed by the Company who request leave because of reasons (1) or (2) or to care for an employee's parent with a serious health condition may only take a combined total of twelve (12) weeks leave during any 12-month period.

Notice of Leave. If your need for family/medical leave is foreseeable, you must give the Company at least 30 days' prior written notice. If this is not possible, you must at least give notice as soon as practicable (within two (2) business days of learning of your need for leave). Failure to provide such notice may be grounds for delay of leave. Additionally, if you are planning a medical treatment you must consult with the Company first regarding the dates of such treatment. Where the need for leave is not foreseeable, you are expected to notify the Company within two (2) business days of learning of your need for leave, except in extraordinary circumstances. The Company has Request for Family/Medical Leave forms available from the Human Resources Department. You should use these forms when requesting leave.

Medical Certification. If you are requesting leave because of your own or a covered relation's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification Forms from the Human Resources Department. When you request leave, the Company will notify you of the requirement for

medical certification and when it is due (at least fifteen (15) days after you request leave). If you provide at least thirty (30) days' notice of medical leave, you should also provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may result in denial of leave until it is provided. Lenderking, at its expense, may require an examination by a second health care provider designated by the Company, if it reasonably doubts the medical certification you initially provide. If the second health care provider's opinion conflicts with the original medical certification, the Company, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. The Company may require subsequent medical recertification. Failure to provide requested certification within fifteen (15) days, if such is practicable, may result in delay of further leave until it is provided.

Reporting While on Leave. If you take leave because of your own serious health condition or to care for a covered relation, you must contact the Company on the first and third Tuesday of each month regarding the status of the condition and your intention to return to work. In addition, you must give notice as soon as practicable (within two (2) business days if feasible) if the dates of leave change or are extended or initially were unknown.

Leave Is Unpaid. Family/medical leave is unpaid leave, however there are instances where you can receive compensation:

1. Your leave qualifies under our paid time off policy and you have unused paid time off, (up to 64 hours per year)
2. You may be eligible for short or long-term disability payments
3. Workers' compensation benefits under those insurance plans or policies.

If you are entitled to receive money from these sources, your leave will be considered "paid leave" for the period during which you receive that money. After exhaustion of these sources of compensation you will be required to substitute vacation for "unpaid" FMLA leave as described below. If you request leave because of a birth, adoption or foster care placement of a child, any accrued paid time off will be used first and then paid vacation days will be substituted for unpaid family/medical leave. If you request leave because of your own serious health condition, or to care for a covered relation with a serious health condition, any accrued paid time off will be used first and then any vacation will be substituted for any unpaid family/medical leave. The substitution of paid leave time for unpaid leave time does not extend the 12-week leave period. Further, in no case can the substitution of paid leave time for unpaid leave time result in your receipt of more than 100% of your salary. **Your family/medical leave runs concurrently with other types of leave (i.e., paid vacation, state family leave laws, etc.). Those other leaves may provide for paid leave.**

Medical and Other Benefits. During an approved family/medical leave, Lenderking will maintain your health benefits as if you continued to be actively employed. If paid leave is substituted for unpaid family/medical leave, the Company will deduct your portion of the health plan premium as a regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium. Your health care coverage will cease if your premium payment is more than thirty (30) days late. If your payment is more than fifteen (15) days late, we will send you a letter to this effect. If we do not receive your payment within fifteen (15) days after the date of this letter, your coverage may cease. If you elect not to return to work for at least thirty (30) calendar days at the end of the leave period, you will be required to reimburse the Company for the cost of the health benefit premiums paid by the Company for maintaining coverage during your unpaid leave, unless you cannot return to work because of a serious health condition or other circumstances beyond your control.

Intermittent and Reduced Schedule Leave. Leave because of a serious health condition may be

taken intermittently (in separate blocks of time due to a single health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. If leave is unpaid, the Company will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave, the Company may temporarily transfer you to an available alternative position which better accommodates your recurring leave and has equivalent pay and benefits.

Returning From Leave. If you take leave because of your own serious health condition (except if you are taking intermittent leave), you are required to provide medical certification that you are fit to resume work. You may obtain Return to Work Medical Certification Forms from the Human Resources Department. Employees failing to provide the Return to Work Medical Certification Form will not be permitted to resume work until it is provided.

No Work While on Leave. The taking of another job while on family/medical leave or any other authorized leave of absence is grounds for immediate termination, to the extent permitted by law.

State and Local Family and Medical Leave Laws and Other Company Policies. Where State or local family and medical leave laws offer more protections or benefits to employees, the protections or benefits provided by such laws will apply.

General Standards of Conduct

5-1. Workplace Conduct

Lenderking endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including discharge, in the Company's sole discretion. The following are examples of some, but not all, conduct which can be considered unacceptable:

1. Obtaining employment on the basis of false or misleading information.
2. Stealing, removing or defacing Company property or a co-worker's property, and/or disclosure of confidential information.
3. Completing another employee's time records.
4. Dishonesty.
5. Violation of safety rules and policies.
6. Violation of Lenderking's Drug and Alcohol-Free Workplace Policy.
7. Fighting, threatening or disrupting the work of others or other violations of Lenderking's Workplace Violence Policy.

8. Insubordination or disobedience of a lawful management directive.
9. Use of foul or inappropriate language.
10. Loitering or loafing during work time, or leaving a work area without the permission of management.
11. Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences.
12. Gambling on Company property.
13. Stopping work prior to the end of any shift without management's permission.
14. Willful or careless destruction or damage to Company assets or to the equipment or possessions of another employee.
15. Wasting work materials.
16. Performing work of a personal nature during working time.
17. Violation of the Solicitation and Distribution Policy.
18. Violation of Lenderking's Harassment or Equal Employment Opportunity Policies.
19. Violation of the Communication and Computer Systems Policy.
20. Unsatisfactory job performance.
21. Any other violation of Company policy.

Obviously, not every type of misconduct can be listed. Note that all employees are employed at-will, and Lenderking reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. The Company will deal with each situation individually and nothing in this handbook should be construed as a promise of specific treatment in a given situation. However, Lenderking will endeavor to utilize progressive discipline but reserves the right in its sole discretion to terminate an employee at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

5-2. Use of Communications and Computer Systems

Lenderking's communication and computer systems are intended for business purposes and may be used only during working time. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of the systems. Lenderking may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

Further, Lenderking may review Internet usage to ensure that such use with Company property, or communications sent via the Internet with Company property, are appropriate. The reasons for which the Company may review employees' use of the Internet with Company property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

The Company may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

The Company's policies prohibiting harassment, in their entirety, apply to the use of the Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Since the Company's communication and computer systems are intended for business use, these systems may not be used to solicit for religious or political causes or outside organizations.

Further, since the Company's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited. No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.

No radios and/or music playing devices, earphones, cellular phones, pagers, or cameras of any kind are allowed in the shop. Management reserves the right, without limitation to grant exception to this policy when it deems necessary.

Violators of this policy may be subject to disciplinary action, up to and including discharge.

5-3. Computer Guidelines

The following guidelines will be used for all computers

1. Everyone with a computer at his or her desk will orient the computer screen so as to be visible from the office entry door.
2. Everyone shall furnish a list of all programs, directories, etc that are resident on the harddrive.
3. Only approved programs will be allowed on office PC's.
4. Screen savers will be in good taste and keeping with our policy on the display of inappropriate material on Lenderking premises. Management will have final authority on the appropriateness
5. No programs or files will be uploaded to your computer without an anti-virus check of the program file done by the system administrator. Only approved programs or files are to be uploaded. Check with the President for approval.

6. Never open any executable files that are sent over the Internet.
7. No programs or files will be downloaded from your computer without approval. Check with company president for approval.
8. PC's are only to be used to carry out your job functions. Remove all games.
9. Weekly backups must take place without fail. They can be done any day of the week as long as they are done weekly.
10. Backup discs are to be kept in the safe when not in use, especially overnight.
11. No software other than what is deemed necessary by management for the performance of your job is allowed on the computers. No unlicensed software is to be loaded on company computer
12. The playing of games or the use of the Internet for other than business purposes is prohibited.

5-4. Punctuality and Attendance

You were hired to perform an important function at Lenderking. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, your attendance and punctuality are very important. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on your fellow employees and your Supervisors. We expect excellent attendance from each of you. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

We do recognize, however, that there are times when absences and tardiness cannot be avoided. In such cases, you are expected to notify your Supervisor as early as possible, but no later than the start of your work day. Asking another employee, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. Please call, stating the nature of your illness and its expected duration, every day that you are absent.

Unreported absences of three consecutive work days generally will be considered a voluntary resignation of your employment with the Company.

5-5. Attendance Guidelines

Let us know as far as possible in advance if you are going to be absent from work, will arrive late, or need to depart early, Use the absence request form. You must contact your supervisor at least 1 prior to the scheduled beginning of your work day if you are going to be absent or 20 minutes prior if you're going to be late on that day.

Absences and lateness must be bona fide and reported that day to your supervisor, stating the reason, unless other arrangements are made with your supervisor. Remember that this is your responsibility and that asking another employee, friend or relative to give this notification is not sufficient, except in an emergency. Chronic or excessive absenteeism and lateness that exceed the MINIMUM STANDARDS OF ATTENDANCE will not be tolerated and may be dealt with through progressive disciplinary action, up to and including termination.

All employees are required to furnish documentation to Lenderking for their bona fide absences or lateness. If such documentation is not provided by the employee, such absences or lateness will be considered un-excused.

Each employee is expected to be present, at work, on all scheduled work days, and to report to work on time. If an employee is scheduled to work regular payroll hours or overtime" on a "day off", such as a Friday or Saturday, a holiday, or during a vacation period, such day(s) will be considered as scheduled work days. Absences in such situations will be un-excused and counted toward disciplinary action.

Finally, no absence is automatically "excused". The only distinction is between those absences which are counted for against the MINIMUM STANDARD OF ATTENDANCE and those which are not counted. Absences that normally are not counted towards disciplinary action are:

DEFINITION OF EXCUSED ABSENCE/LATENESS/EARLY LEAVE: Any of the below circumstances is excused:

1. Jury/witness duty
2. Bereavement leave for immediate family of employee or spouse
3. Days/time off approved by management
4. Leave of absences and sick leave granted by management
5. Employee illness, if management is provided with copy of paid doctor's bill and appointment slip. This does not include non-emergency dental care or non-emergency doctors visits, as this type of care can be performed after workhours.

DEFINITION OF UN-EXCUSED ABSENCE/LATENESS/EARLY LEAVE: Any other circumstances not listed above. These absences will be counted against the MINIMUM STANDARD OF ATTENDANCE.

STANDARDS OF ATTENDANCE

MINIMUM STANDARD OF ATTENDANCE is defined by Lenderking as 3 or more un-excused absences per six (6) months. One un-excused lateness or early leave equals one-half an un-excused absence. Arrival after 6:30 am or leaving before 5:00 PM, except for one-half hour for lunch, is considered an un-excused lateness or early leave, respectively. Lateness or early leaves of four hours or more will be considered absences. Six month periods are from January 1st to June 30th and from July 1st to December 31st. New employees will be pro-rated to allow un-excused absences based on when they are hired in the six month cycle. (Example: You are hired October 1st, halfway through the six month cycle; therefore, you will have 1.5 un-excused absences).

Unreported Absences. If an unreported incident of absence by the employee is of two or more scheduled work days' duration, the employee will be considered to have abandoned their job and employment will be terminated as of the last day worked.

Records of employee incidents of absenteeism/lateness/early leave are prepared and maintained weekly in accordance with this policy. The company's personnel records shall contain the reason/causes for an employee's absence/lateness/early leave, and summaries of all discussions with the employee about the employee's attendance. Copies of all disciplinary actions issued under this policy shall be given to the employee involved and shall also be filed in the employee's personnel record.

5-6. Inspections

Lenderking reserves the right to require employees while on Company property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Company or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Employees are expected to cooperate in the conduct of any search or inspection.

5-7. Work Area

Employees are expected to remain at their assigned work stations. No congregating or visiting is allowed since they disturb the work of other employees.

Each employee has assigned duties lists. Keep them current on a daily basis. If the shop supervisor is not available to answer your immediate questions, use the time to complete your duties. Keep your work area clean of unneeded materials, tools, and trash on a daily basis. If materials or tools/equipment are accidentally damaged for any reason, the employee is to stop immediately and notify the shop supervisor. Return all tools and extension cords to the appropriate storage container when no longer needed and at the end of each day.

All displays of printed material or photographs should be in good taste. Management reserves the right, without limitation to remove any material posted by an employee that it deems inappropriate and not in keeping with the company's policies

5-8. Smoking

Smoking is prohibited on Company premises and in all Company vehicles.

5-9. Personal Visits and Telephone Calls

Disruptions during working time can lead to errors and delays. Therefore, we ask that personal telephone calls be kept to a minimum, and only be made or received after working time, or during lunch or break time. For safety and security reasons, employees are prohibited from having personal guests visit or accompany them anywhere in our facilities other than the reception areas.

5-10. Solicitation and Distribution

To avoid distractions, solicitation by an employee of another employee is prohibited while either employee is on working time. "Working time" is the time an employee is engaged, or should be engaged, in performing his/her work tasks for Lenderking. Solicitation of any kind by non-employees on Company premises is prohibited at all times.

Distribution of advertising material, handbills, printed or written literature of any kind in working areas of the Company is prohibited at all times. Distribution of literature by non-employees on Company premises is prohibited at all times.

5-11. Bulletin Boards

Important notices and items of general interest are continually posted on our bulletin board. Make it a practice to review it frequently. This will assist you in keeping up with what is current at Lenderking. To avoid confusion, please do not post or remove any material from the bulletin board.

5-12. Confidential Company Information

During the course of work, an employee may become aware of confidential information about Lenderking's business, including but not limited to information regarding Company finances, pricing, products and new product development, software and computer programs, marketing strategies, suppliers, customers and potential customers, and knowledge, skills and abilities of personnel. An employee also may become aware of similar confidential information belonging to the Company's clients. It is extremely important that all such information remain confidential, and particularly not be disclosed to our competitors. Any employee who improperly copies, removes (whether physically or electronically), uses or discloses confidential information to anyone outside of the Company may be subject to disciplinary action up to and including termination. Employees may be required to sign an agreement reiterating these obligations.

5-13. Conflict of Interest and Business Ethics

It is Lenderking's policy that all employees avoid any conflict between their personal interests and those of the Company. The purpose of this policy is to ensure that the Company's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the Company.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. Holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with the Company, by any employee who is in a position to directly or indirectly influence either the Company's decision to do business, or the terms upon which business would be done with such organization.
 2. Holding any interest in an organization that competes with the Company.
 3. Being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Company or which competes with the Company.
 4. Profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with the Company.
- A conflict of interest would also exist when a member of an employee's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is your responsibility to report any actual or potential conflict that may exist between you (and your immediate family) and the Company.

5-14. Blogging

Lenderking respects the right of any employee to maintain a blog. However, to protect the Company's interests and ensure employees focus on their job duties, employees must adhere to the following rules:

1. Employees may not post on a blog during work time or with Company equipment or property.
2. All rules regarding confidential information apply in full to blogs. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed in a blog.
3. If employees mention the Company in a blog and also express a political opinion or an opinion regarding the Company's actions, the poster must specifically note that the opinion expressed is his/her personal opinion and not the Company's position. This is necessary to preserve the Company's good will in the marketplace.
4. Any conduct which under the law is impermissible if expressed in any other form or forum is impermissible if expressed through a blog.

Further, the Company encourages all employees to contemplate the speed and manner in which information posted on a blog can be relayed and often misunderstood by readers. Thus, subject to the limited restrictions above, while an employee's free time is generally not subject to any restrictions by the Company, the Company urges all employees to not post information regarding the Company or their jobs which could lead to morale issues in the workplace or which could detrimentally affect the Company's business.

5-15. Use of Facilities, Equipment and Property, Including Intellectual Property

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

Please notify your Supervisor if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of loss, damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The Supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment used on the job.

Employees also are prohibited from any unauthorized use of the Company's intellectual property, such as audio and video tapes, print materials and software.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

Further, the Company is not responsible for any damage to employees' personal belongings unless the employee's Supervisor provided advance approval for the employee to bring the personal property to work.

5-16. Health and Safety

The health and safety of employees and others on Company property are of critical concern to Lenderking. The Company intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the Company's premises, or in a product, facility, piece of equipment, process or business practice for which the Company is responsible should be brought to the attention of management immediately. Periodically, the Company may issue rules and guidelines governing workplace safety and health. The Company may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste. All employees should familiarize themselves with these rules and guidelines, as strict compliance will be expected. Any workplace injury, accident, or illness must be reported to the employee's Supervisor as soon as possible, regardless of the severity of the injury or accident.

5-17. Hiring Relatives/Employee Relationships

A familial relationship among employees can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, Lenderking may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

In other cases such as personal relationships where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or terminated from employment, at the discretion of the Company. Accordingly, all parties to any type of intimate personal relationship must inform management.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. The Company generally will attempt to identify other available positions, but if no alternate position is available, the Company retains the right to decide which employee will remain with the Company.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

5-18. Safety – Your Responsibility

You have a responsibility not only for your safety, but also for the safety of your employer, fellow workers and family. In the performance of your duties, you are expected to observe safe-practice rules, as well as instruction relating to the efficient performance of work tasks. All employees should:

- * Comply with instructions of supervisors
- * Report all accidents and injuries immediately
- * Follow job safety rules and procedures
- * Maintain all tools and equipment in good repair and with their proper guarding
- * Utilize all appropriate personal protective equipment
- * Maintain clear and orderly work areas
- * Refrain from use of alcohol and illegal drugs, or from being under the influence of alcohol or drugs while in the workplace
- * Read and comply with your Lenderking Safety Manual

All accidents that result in personal injury or property damage must be reported to a supervisor immediately. No evidence should be disturbed until an investigation is completed. If an accident results in personal injury, the injured employee will be instructed to designated Medical Facility for treatment. (consult your Lenderking Safety Manual).

A Medical Release Statements is to be submitted to the employees' supervisor for review before the employee punches in for the next work day in the following situations:

- * Two or more consecutive days of absence due to illness/injury:
- * In all cases of work-related injury when the employee has been unable to work after the time of the injury: or,
- * When returning from medical leave of absence or sick leave.

5-19. Employee Dress and Personal Appearance

You are expected to report to work well groomed, clean, and dressed according to the requirements of your position. Some employees may be required to wear uniforms or safety equipment/clothing. Please contact your Supervisor for specific information regarding acceptable attire for your position. If you report to work dressed or groomed inappropriately, you may be prevented from working until you return to work well groomed and wearing the proper attire.

Shop employees must wear a hat or headband if hair is past the shoulder. No loose or flapping clothing or jewelry may be worn.

5-20. Publicity/Statements to the Media

All media inquiries regarding the Company and its operation must be referred to the President. Only the President is authorized to make or approve public statements pertaining to the Company or its operations. No employees, unless specifically designated by the President, are authorized to make those statements. Any employee wishing to write and/or publish an article, paper, or other publication on behalf of the Company must first obtain approval from the President.

5-21. Operation of Vehicles/Cellular Phones

All employees authorized to drive Company-owned or leased vehicles or personal vehicles in conducting Lenderking business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

A valid driver's license must be in your possession while operating a vehicle off or on Company property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times. Company-owned or leased vehicles may be used only as authorized by management.

Cellular Phone Usage When Driving

Employees with cell phones must refrain from using their phones while driving and comply with all local laws. Safety must come before all other concerns. Regardless of the circumstances, including slow or stopped traffic, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employee is driving, the employee must use a hands-free option and advise the caller that he/she is unable to speak at that time and will return the call shortly.

Employees who do not drive Company cars but use a cell phone for business use also must abide by the above regulations.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a cell phone while driving, employees who are charged with traffic violations resulting from the use of their phones while driving will be solely responsible for all liabilities that result from such actions.

5-22. Business Expense Reimbursement

Employees may be reimbursed for reasonable approved expenses incurred in the course of business. These expenses must be approved by your Supervisor, and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to the on the "Timesheet" website under expenses and manually submit any receipts in a timely manner. Employees are expected to exercise restraint and good judgment when incurring expenses. You should contact your Supervisor in advance if you have any question about whether an expense will be reimbursed.

5-23. References

Lenderking will respond to reference requests through the Human Resources Department. The Company will provide general information concerning the employee such as date of hire, date of termination, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to the Human Resources Dept. Only the Human Resources Department may provide references.

5-24. If You Must Leave Us

Should you decide to leave the Company, we ask that you provide your Supervisor with at least two weeks advance notice of your departure. Your thoughtfulness will be appreciated.

All Company property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc. must be returned at separation. Employees also must return all of the Company's Confidential Information upon separation. To the extent permitted by law, employees will be required to repay the Company (through payroll deduction, if lawful) for any lost or damaged Company property. As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

5-25. Exit Interviews

Employees who resign may be requested to participate in an exit interview with Human Resources, if possible.

5-26. Inclement Weather Policy

Lenderking will try to remain open during all inclement weather. If the company will be closed there will be a text message sent to your phone. Keep your number current or you may end up reporting to work when we are closed.