



Associate Reference Guide

Revised February, 2017

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Certain Company-wide policies are subject to state or local laws or regulations that may alter the application of the policy in that state. This Reference Guide contains a separate section referred to as “States - Policies and Guidelines”. **Any** Company policy that conflicts with state or local laws or regulations has been amended and is included in this section. **These amendments apply only to the Associates in that particular state.**

To make it easier to identify a policy that was amended to comply with state or local laws or regulations, an icon appears at the beginning of the Company-wide policy or guideline. Whenever you see this icon with the abbreviation for a particular state within it, you are encouraged to review the “States - Policies and Guidelines” Section to see how a policy for your state may be somewhat different than the “Company-Wide Policies and Guidelines” you find below. **Note: The substance of the Company-wide policy will prevail in all other states unless otherwise noted.**

“Lennar” or “The Company” as noted throughout this Associate Reference Guide includes Lennar Corporation and all of its subsidiaries and affiliate companies. This Associate Reference Guide applies to all Lennar subsidiaries and affiliates including but not limited to Eagle Mortgage Company, North American Title Company, Rialto Capital Management, Rialto Capital Advisors, Rialto Mortgage Finance, Quantum Servicing Corporation, Universal American Mortgage Company, Lennar Multifamily Communities, Lennar Commercial Investors, Five Point Communities, SunStreet Energy Group, and all of their subsidiaries and affiliates.

The headings prior to the policies in this Associate Reference Guide are for informational purposes only and are not part of the actual policies. To the extent a heading may conflict with a policy, the policy controls.

ALL ASSOCIATES OF THE COMPANY ARE EMPLOYED AT WILL, AND THIS ASSOCIATE REFERENCE GUIDE IS NOT A CONTRACT OF EMPLOYMENT EXCEPT FOR THE AT-WILL POLICY AND THE DISPUTE RESOLUTION—MEDIATION AND ARBITRATION POLICY.

COMPANY-WIDE POLICIES AND GUIDELINES

All forms referred to in this guide are available on the Lennar Portal.

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1.1 INTRODUCTION



Quality. Value. Integrity.

We set the highest standards for caring for our Customers, Associates, Shareholders and our Community. Our commitment to Quality, Value and Integrity is the underlying foundation upon which we were built, and the core values that continue to guide us to this day. Our Associates are committed to always doing the right thing for the right reason, and approaching each day with the highest level of *Integrity*.

Our Associates are committed to being innovators in the homebuilding industry and all industries in which the Company does business, and are constantly focused on improving the *Quality* of our homes and services. Our Associates also are committed to delivering the best possible *Value* to each of our Customers.

We believe in what we do because, fundamentally, our business is about dreams – the dreams of our Customers, Associates and Shareholders. We care about those dreams because our reputation is built on them.

With 60 years of experience behind us, we look forward to the future with the same focus on Quality, Value and Integrity that has been in place at the Company since its inception in 1954. With this focus, we will continue to grow and evolve into an *Even Better* Company, and continue to make the dream of owning a home a reality for our Customers, every day through our homebuilding, mortgage lending, title services, and financial services.

We want all Associates to experience the pride and personal satisfaction that comes with being a part of one of America's most exciting and successful Companies.

This Reference Guide contains policies and guidelines that apply to every Associate in the Company, regardless of location or position. Consider it a handy reference tool or "roadmap to the way our team works." Because we place such importance on our values, failure to comply with this Reference Guide, or to report a violation of this Reference Guide, may subject Associates to disciplinary action up to and including termination.

Maintaining our Company's integrity and high ethical standards is a team effort; **ethics is everyone's responsibility**. Associates have a personal obligation to observe both the letter and the spirit of each provision of this ARG and the Company's Code of Business Conduct and Ethics (the "Code") and to assist the Company in the implementation of the ARG and the Code in the workplace. The Company also expects Associates to report promptly by way of any of the options set forth in this ARG, any actual or suspected violations of this ARG, the Code and/or the law. The Company strictly prohibits retaliation against any person who in good faith reports a suspected or actual violation of law or policy. Anyone who engages in retaliatory conduct will be subject to discipline, up to and including termination of employment. Neither this ARG nor Code prohibits anyone from initiating communications directly with, or responding to any inquiry from, or providing testimony before any federal, state, or local regulatory authority.

Like anything else, these policies and guidelines may change from time to time. When they do, we will do everything possible to communicate those changes quickly and consistently.

Our top-notch Legal Team insisted that we include the following language for your education:

This Reference Guide was developed to assist with the consistent and uniform application of the policies and guidelines it contains. With the exception of the employment at-will policy and the Dispute Resolution – Mediation and Arbitration Policy, nothing in this Reference Guide is intended to be contractual in nature, nor does it bind either you or the Company to a specific period of employment. The Company reserves the right to change the policies contained in the Associate Reference Guide at its sole discretion, except the employment at-will policy and the Dispute Resolution – Mediation and Arbitration Policy. This Reference Guide is not intended to be all-inclusive.

No provision in this Reference Guide prohibits or restricts any Associate from engaging in legally protected activity (such as for example engaging in concerted or protected activity pertaining to the terms and conditions of employment) or initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority. Additionally, this Reference Guide does not require any Associate to contact the Company regarding the subject matter of any such communications before engaging in such communications.

Employment with the Company is “at-will” as allowed by law, meaning that the employment relationship can be terminated by either the Associate or the Company at any time with or without prior notice and with or without cause.

The at-will nature of an individual's employment with the Company may not be modified except by a written document signed by an authorized officer of the Company. Nothing in this Reference Guide is intended to limit the circumstances under which the Company may decide to end the employment relationship.

This Reference Guide replaces all earlier handbooks or reference guides, and takes precedence over all memoranda and oral descriptions of the Company's personnel policies and guidelines. In the event any policy or guideline contained within this Reference Guide is in conflict with local, state or federal law, such law will prevail. The provisions of this Reference Guide will control over any contrary statements, representations or assurances made by any supervisory personnel. Titles and headings in this Reference Guide are intended for organizational purposes only and are not intended to modify the meanings of the policies herein.

Sure, there are rules we all need to follow. But we trust you will appreciate the spirit and good intentions of all the information this Reference Guide contains.

1.2 THE LENNAR STORY

The history of our Company is amazing. Lennar began in 1954, as F&R Builders, co-founded by Gene Fisher and Arnold Rosen. In 1956 Leonard Miller joined F&R by investing \$10,000 and replacing Gene as Arnold's partner. Through Leonard's guidance and Arnold's attention to construction, our hallmark traits of Quality, Value and Integrity were born. In 1971 we became a public Company under the corporate banner of Lennar, a combination of Leonard and Arnold's first names.

Through the years, the Company has grown to become a disciplined and spirited team of Associates who have fine-tuned the art of identifying and capturing opportunities to grow and become an *Even Better* Company. The result is a long proven track record of strategically timed and impeccably executed expansions into new markets and opportunities across the country.

In addition to being one of the most respected homebuilders in the nation, we have expanded our services to include multi-family rental development, commercial real estate management, land management and development, mortgage loan financing, title insurance and other financial services. We are thus able to offer a broad scope of services to our homebuyers and to others who require these services. We have also grown geographically over the years and now build homes and offer other services in some of the most desirable cities and states in which to live.

Our homebuilding marketing platform of *Everything's Included* is unique in the industry. Our Everything's Included Homes provide our Customers with the ease and simplicity of having all the most desired features included in their home at no extra cost. This simplifies the home buying process for them, so they don't have to spend a lot of time picking options and making decisions.


Our Company's approach to our Customers is also unmatched. Our Associates are dedicated to providing our Customers with a *Tickled Delighted and Happy* (TDH) experience every single time. With a TDH Customer Roadmap utilized throughout the Company, we are focused on doing the extraordinary every day for our Customers, and making every experience, including the home buying process, a true celebration.

And finally, our Company *Culture* is truly one of a kind. The foundation of our Company Culture is to have fun in all that we do while at the same time achieving our goals and objectives. We create opportunities to open channels of communication that bring our Associates together to work as a Team and support, inspire and cheer the successes of one another. Whether through LNN (our internal online news network), the Company Portal or LSU (Lennar Success University) Online – we are constantly seeking to communicate with our Associates and give them a voice to be heard.

We are creating special moments that bring our Company family together through our Z-Values, at our Wow for Now gatherings, and through the special language that we use. Regardless of where we are located or what specific services we provide our customers, we are bound together as one Company by a strong Culture that is a source of warmth and pride to all of us.

To an outsider looking in, the Company may seem like a strange environment with some unusual traditions – such as wearing Name Badges and reciting poems. Those of us at the Company know that environment is full of spirit, enthusiasm, passion and vitality – an environment that makes our Company a very special place to work.

The Company currently employs more than 5,800 Associates nationwide. Our Associates are bound together by unique set of cultural values known as our "Z Values":

LENNAR  **VALUES**

1. Conduct our business with the highest degree of integrity, pride, passion and professionalism.
2. Provide each and every Customer with unparalleled quality, service and value.
3. Strive for continuous improvement in an atmosphere of creativity, teamwork and trust.
4. Emphasize the Company benefit and contribution to the team effort above individual recognition.
5. Work efficiently to provide the greatest return to our Shareholders.

Always do the right thing
for the right reason.

LENNAR

With sixty years of experience behind us, we look forward to the future with the same focus on Quality, Value and Integrity that has been in place since the inception of our Company in 1954. With this focus, we will continue to grow and evolve into an *Even Better* Company, and continue to make dreams come true, every day.

1.3 COMPANY CONTACTS

For ease of reference, a complete list of contacts identified in this Reference Guide is included below.

Lennar Human Resources – Corporate

HR Cares Help Line: 1-800-353-8100 (for HR, press option 3)

Email: HRcares@lennar.com

Chief Human Resources Officer	516-741-4880
Corporate HR Director	305-485-2087

Address: Lennar Corporation
 ATTN: Human Resources
 700 NW 107th Ave
 Miami, Florida 33172

Lennar Human Resources – East Region

Regional HR Director	305-485-2029
Regional HR Manager	813-574-5715

Lennar Human Resources – Central Region

Regional HR Director	469-587-5305
HR Generalist – Houston, San Antonio, Austin	281-874-8553
Lennar Multi-Family HR Manager	469-587-5240

Lennar Human Resources – West Region

Regional HR Director	949-349-8382
Regional HR Manager	949-349-8031

UAMC & Eagle Mortgage Human Resources

VP HR & Associate Development	727-791-2134
HR Manager	727-450-2895

Rialto Capital Human Resources

Sr. VP of Human Resources	305-229-6570
HR Manager – Miami	305-229-6424
HR Manager – Miami	305-485-2711
HR Manager – Tampa	813-333-7633

North American Title Company Human Resources

HR Director	305-485-2796
Director of Associate Development	305-485-2784
HR/Benefits- Walnut Creek	925-295-0530

Benefits Department

HR Cares Help Line: 1-800-353-8100 (for benefits, press option 2)
Email: BenefitsHelpDesk@lennar.com

Benefits Director 661-362-0790

Lennar Information Technology Help Desk

Help Desk: 1-800-588-9411

Email: helpdesk@lennar.com

Enterprise Security Office

1-800-570-1850

Email: notifysecurity@lennar.com

Payroll Department

HR Cares Help Line: 1-800-353-8100 (for payroll, press option 1)
Email: payrollhelpdesk@lennar.com

VP of Compensation and Payroll	305-229-6485
HR Systems & Payroll Svc	305-229-6485
Director of HR Systems	305-485-4166
HRMS Manager	305-229-6408
Payroll Manager	305-485-4102
Payroll Tax Manager	305-485-2795

Leave of Absence Administration

BASIC 800-353-8100, press option 2 followed by option 1

Lennar Legal Department

General Counsel	305-229-6584
Associate General Counsel	305-229-6474

Email: legal@lennar.com

Address: Lennar Corporation
ATTN: Legal Department
700 NW 107th Ave
Miami, Florida 33172

Investor Relations Department (media, analyst or investor inquiries; concerns regarding the sharing of Company information)

Phone: 305-229-6400
Email: investorrelations@lennar.com

Address: Lennar Corporation
ATTN: Investor Relations Department
700 NW 107th Ave
Miami, Florida 33172

Ethics Hotline (concerns about employment or the Company's operations, financial reporting, business integrity, or any other matter related to the Company may be reported anonymously)

Website: www.lennar.tnwreports.com
Email: lennar@tnwinc.com
Phone: 1-800-503-1531
Address: The Network
ATTN: Lennar Corporation
333 Research Court
Norcross, Georgia 30092

The Hotline is toll-free, 24-hours-a-day, 7-days-a-week resource to report concerns which can be done anonymously. The Hotline is managed and staffed by The Network, Inc., and is not affiliated with the Company. The Company provides the multitude of reporting avenues listed above so that you can be certain of an appropriate place to report or discuss any type of concern you may have. To help the Company properly investigate and respond to your concern, we encourage you to provide as much information as possible. If you make a report, the Company will keep your identity confidential, except to the extent you consent to be identified or to the extent that your identification is required or permitted by law.

Lennar's Board of Directors ("financial ethics" issues; concerns regarding financial practices, accounting, auditing, the Code and related matters)

Email: feedback@lennar.com
Phone: 1-800-503-1534

Lennar Conflicts Committee

Email: codeofconduct@lennar.com

Lennar Risk Management

Risk Management Director 305-229-6499
Risk Management Admin. 305-229-6471

Corporate Cost Control: 855-901-3099

1.4 CAREER PATH

"At Lennar, every Associate is both a student and a teacher."

As a new Associate, you may ask, "What is the typical career path at the Company?" "Where do I go from here and how long will it take?" These are good questions, but impossible to answer with any degree of accuracy or precision.

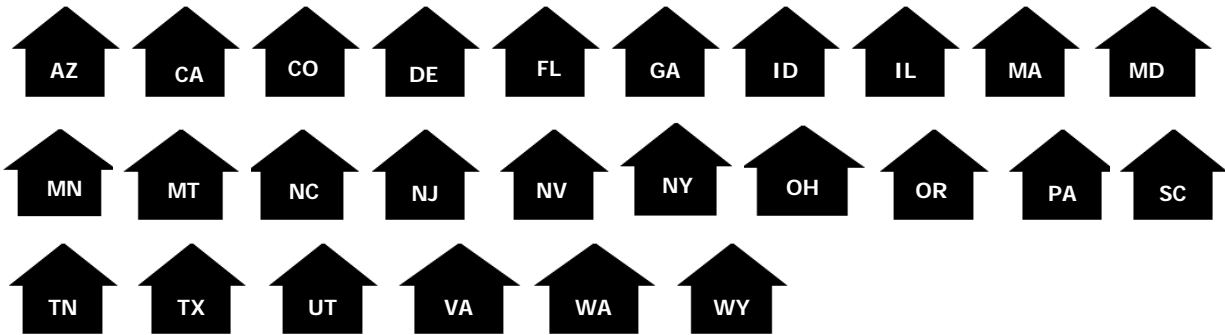
The career path at our Company cannot be communicated verbally, written on a piece of paper, or illustrated in flowchart format. Furthermore, it is not subject to measurement in terms of sequential job levels or time expiration from one position to the next. Understand, however, that it is real and it does exist. It is a path by which a Loan Assistant became a Branch Manager, an assistant to a Division President became a Division President, and a Division Controller became a Regional President. The career path is simply not pre-determined, but rather unfolds through a natural progression of events.

Unlike the rigidity and inflexibility of career movement inherent in many organizations, the career path at our Company is dictated in large measure by how well Associates distinguish themselves in the performance of their duties and by an ever-changing economy and real estate market. As changes in the economy create opportunities for Company growth and/or diversification, so too are career opportunities often generated within the Company.

With every new business venture, the Company re-evaluates its team of players, considering their knowledge, talents, experience, personality and career aspirations. A strong effort is then made to position them strategically within the overall organizational framework to best meet the needs of the Company and the Associate.

At any point in time, the Company's objective is to match each Associate with the job he or she is most suited for, one which hopefully both stimulates and challenges them. The career path is thus meant to be a series of good "fits". Associates are encouraged to utilize "LSU – Lennar Success University" – as a vehicle for personal and career growth.

1.5 ANTI-DISCRIMINATION



Our policy is to provide equal employment opportunity to all applicants and Associates without regard to race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age (40+), disability, veteran status, genetic information, or any other legally protected status.

Similarly, all personnel policies, actions, and programs are administered without regard to race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age (40+), disability, veteran status, genetic information or any other legally protected status. Unlawful discrimination and harassment is strictly prohibited and will not be tolerated. The Company's anti-discrimination and anti-harassment policies also apply to our interactions with third parties, as required by law, including but not limited to vendors, suppliers and trade partners. Any Associate who feels that he or she has been subjected to discrimination or harassment of any kind by another Associate, management, an officer, an agent of the Company, a customer, a homeowner, or any other person, must immediately report the incident directly to his or her supervisor or to any other supervisor, and to the Regional Human Resources Director or the Chief Human Resources Officer.

Knowledge of such incidents is very important to us and, consequently, we maintain a strict open door policy with regard to these matters. The Company will investigate all allegations of discrimination and harassment in as prompt and confidential a manner as possible and will take appropriate corrective action if it concludes that a violation of this policy has occurred. Any Associate found by the Company to be in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

Associates with questions regarding this policy may contact the Chief Human Resources Officer or the Regional Human Resources Director. The utmost discretion will be used in handling such matters. Additionally, concerns or complaints about violations of this policy can be submitted confidentially and anonymously to the Ethics Hotline.

Retaliation against an Associate, who in good faith reports alleged incidents of discrimination or harassment, or who cooperates in any investigation or proceeding related to this policy, is strictly prohibited and shall constitute a violation of this policy.

1.6 REASONABLE ACCOMMODATIONS

The Company will make reasonable accommodations for the known physical or mental limitations of any otherwise qualified individual with a disability, and all other accommodations required by law unless undue hardship would result. Any Associate who requires an accommodation in order to perform the essential functions of the job should contact the Regional Human Resources Director or the Chief Human Resources Officer and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The Company then will engage in an interactive process with the Associate to identify the barriers that interfere with the ability of the employee to perform his or her job and to identify possible accommodations, if any, that will help eliminate the barriers. The Company will make accommodations that are reasonable and will not impose an undue hardship.

Associates with questions regarding this policy may contact the Chief Human Resources Officer or the Regional Human Resources Director. The utmost discretion will be used in handling such matters. Additionally, concerns or complaints about violations of this policy can be submitted confidentially and anonymously to the Ethics Hotline.

1.7 ANTI-HARASSMENT

We have established a strict policy prohibiting unlawful harassment of Associates and other third parties including but not limited to trade partners, customers, homeowners, and others. Harassment based on race, color, sex, sexual orientation, gender identity or expression, national origin, age (40+), disability, veteran status, genetic information or any other legally protected status is prohibited.

Unlawful harassment can take many forms such as derogatory comments or epithets, degrading words or actions, threats, intimidation, hostility, violence, gestures, jokes, use of graphic symbols or written materials or other conduct directed at person or group because of, or related to, race, color, sex, sexual orientation, gender identity or expression, national origin, age (40+), disability, veteran status, genetic information or any other legally protected status.

For example, sexual harassment is defined as any unwelcome sexual advances, requests for sexual favors or other conduct of a verbal or physical nature when:

- (1) submission to such conduct is made either explicitly or implicitly a term or condition of a person's employment;
- (2) submission or rejection of such conduct by an individual is used as the basis for an employment decision affecting that person; or
- (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance, or creating an intimidating, hostile or offensive working environment.

Sexual harassment can also include, among other things, unwelcome propositions, flirtations and requests whether express or implied, for sexual favors. It can also include other unwelcome verbal, visual or physical conduct of a sexual nature, such as unnecessary touching of an individual, graphic or verbal commentary about an individual's body, sexually degrading verbal abuse, a display in the workplace of sexually suggestive objects or pictures, sexually explicit or offensive jokes or physical assault.

Any Associate who feels that he or she has been subjected to unlawful harassment of any type, whether by a co-worker, supervisor, or other manager or officer of the Company, or by anyone else in the course of their employment, must promptly report the incident directly to his or her supervisor or to any other supervisor, and to the Regional Human Resources Director or the Chief Human Resources Officer. Appropriate measures will be taken to investigate and resolve the situation as appropriate in a fair and expeditious manner.

Knowledge of such incidents is very important to us and, consequently, we maintain a strict open door policy with regard to these matters. The Company will investigate all allegations of discrimination and harassment in as prompt and confidential a manner as possible and will take appropriate corrective action if it concludes that harassment in violation of this policy has occurred. Any Associate found by the Company to be responsible for harassment in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

Associates with questions regarding this policy may contact the Chief Human Resources Officer or the Regional Human Resources Director. The utmost discretion will be used in handling such matters. Additionally, concerns or complaints about violations of this policy can be submitted confidentially and anonymously to the Ethics Hotline.

Retaliation against an Associate, who in good faith reports alleged incidents of unlawful harassment, or who cooperates in any investigation or proceeding related to this policy, is strictly prohibited and shall constitute a violation of this policy.

Associate Dating

Associates spend many hours working together and often develop close professional relationships that sometimes voluntarily evolve into close consensual personal relationships. It is not our intent to regulate the personal lives of our Associates; however, this issue can become very complex when an Associate with supervisory responsibilities is involved.

Due to the fact that a supervisor has responsibility to make decisions regarding their Associate's performance evaluation, career opportunities, pay and promotions, it is strongly advised that supervisors do not date Associates within their respective areas of responsibility. Should this occur, both Associates are required to report this to the Chief Human Resources Officer who will ensure that appropriate action is taken.

1.8 DISPUTE RESOLUTION – MEDIATION & ARBITRATION

The Company maintains an open door policy with respect to all matters concerning an Associate's employment, and before initiating this dispute resolution procedure, we request that Associates first report any complaints of discrimination or harassment or other complaints relating to their employment directly to the Regional Human Resources contact or the Chief Human Resources Officer. This dispute resolution policy does not supplant the reporting requirements of the Anti-Discrimination Policy, the Anti-Harassment Policy, or any other reporting requirements. Most issues concerning employment, including disputes, can be resolved informally after consultation with the Human Resources Department. Any disputes that cannot be resolved through consultation with the Human Resources Department will be resolved by the mediation and binding arbitration process described below. This policy supersedes all pre-existing alternative dispute resolution procedures. Accordingly, Associates who are covered by a pre-existing alternative dispute resolution agreement, including any employment agreement, are bound to resolve any disputes within the scope of this policy in accordance with the terms of this policy as of this policy's effective date. However, all disputes shall be governed by the version of the dispute resolution policy in effect at the time the dispute arose.

The Company is committed to prompt and fair resolution of all disputes of any nature that may arise in the workplace. This dispute resolution procedure is a condition of employment with the Company. If a dispute arises relating to an Associate's employment with the Company, including any suit naming the Company and/or any of the Company's directors, officers, managers, employees, and agents that cannot be resolved informally after consultation with Human Resources, we require any such dispute to be resolved and/or determined through the dispute resolution procedures set forth in this policy. This policy applies to all disputes arising from or related to an Associate's employment with the Company, including but not limited to, disputes relating to hiring, compensation, benefits, promotion, working conditions, termination of employment, breach of contract, discrimination, harassment, retaliation, workers' compensation retaliation, and any common law or statutory claims arising under state or federal law. This policy does not prohibit Associates from filing claims under workers' compensation and unemployment insurance statutes or administrative charges filed under the National Labor Relations Act, Title VII, or other governmental agency charges; however, civil complaints and/or appeals arising from such charges are still subject to this policy and must be mediated and/or arbitrated in accordance with the terms of this policy. If Associate would otherwise be legally required to exhaust administrative remedies and/or any other prerequisites before bringing suit on any claim in court, Associate must exhaust his/her administrative remedies and/or satisfy any other legally required prerequisites before making a demand for mediation and/or binding arbitration of any such claims. This policy applies to claims by the Company and claims by Associate.

Mediation

If a dispute arises within the scope of this policy that was not resolved through consultation with Human Resources, the parties shall first submit the dispute or controversy to non-binding mediation in accordance with the following procedure: Either Associate or the Company can initiate the dispute resolution process by submitting a written request to mediate to the other party. Requests to the Company should be addressed to the attention of the Company's Legal Department. The mediation shall be held before a qualified neutral mediator and the mediation shall take place in the metropolitan area of the division or office to which the Associate is assigned. The parties shall jointly designate a mediator. Within fifteen (15) business days of receipt of the initiating party's written request for mediation, the parties shall exchange a written list of each party's proposed mediators, and shall make a good faith effort to agree on a mutually acceptable mediator. If the parties cannot agree on a mediator within thirty (30) business days of the date of the written request for mediation, the mediation will be administered by the American Arbitration Association ("AAA"), and AAA will designate a qualified mediator. The Employment Arbitration Rules and Mediation Procedures can be found at www.adr.org.

To initiate mediation proceedings with the AAA in circumstances where the parties cannot agree on a mediator, the party initiating the mediation request shall first notify the other party in writing that no agreement can be reached on mediator selection, and then both parties shall submit a "Request for Mediation Form" to the AAA. Online forms are available at www.adr.org. The designated mediator shall have experience and expertise in the subject matter of the dispute. The Company and the Associate are obligated to make a good faith effort to resolve the issue through mediation, and to participate in the mediation session to its conclusion. The parties are entitled to a full day mediation session under this policy; however, the parties may jointly agree to a half-day mediation session. Mediation sessions are to be conducted with as little formality and technicality as possible. The parties shall equally share the costs of mediation, unless the parties agree otherwise, and each party shall bear its/his/her own attorneys' fees and costs in connection with the mediation of any disputes under this Policy. To ensure that mediation is held in a non-prejudicial manner and to encourage candid discourse among the parties, all information disclosed in the course of mediation is to remain confidential.

Binding Arbitration

If the dispute is not resolved through mediation, Associate and the Company agree to resolve the dispute exclusively by binding arbitration under the Federal Arbitration Act ("FAA") and this policy. Preliminary injunctive relief and other provisional remedies in aid of arbitration may be sought by either the Associate or the Company in a court of competent jurisdiction under applicable law, but the arbitrator alone may award permanent injunctive relief. All proceedings shall be confidential as allowed by law.

By simply accepting or continuing employment with the Company, Associates acknowledge and agree that proceeding under this policy is the exclusive remedy for all disputes arising from or related to their employment with the Company. In addition, both the Associate and the Company agree to waive all rights to a civil court action regarding any disputes within the scope of this policy. This means that only the arbitrator, and not a judge or jury, will decide the dispute.

Arbitrations under this policy will be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq., and resolved by a neutral arbitrator in a binding arbitration administered by the American Arbitration Association ("AAA") under the arbitration-related portion of the AAA's Employment Arbitration Rules and Mediation Procedures (the "Arbitration Rules"), in effect on November 1, 2009, including indigency determination procedures. The Arbitration Rules are available at www.adr.org. In the case of a conflict between the AAA Rules and this policy, this policy shall control.

The interpretation and enforcement of this Arbitration Policy shall be governed exclusively by the Federal Arbitration Act. Associate understands and agrees that this Policy applies to all claims arising from or related to his/her employment, except claims filed under workers' compensation and unemployment insurance statutes and administrative charges filed under the National Labor Relations Act, Title VII, or other governmental agency charges, although civil complaints arising from such charges are still subject to this Policy and must be submitted to binding arbitration in accordance with the terms of this policy. As noted above, if Associate would otherwise be legally required to exhaust administrative remedies and/or any other prerequisites before bringing suit on any claim in court, Associate must exhaust his/her administrative remedies and/or satisfy any other legally required prerequisites before making a demand for arbitration of any such claims. All statutes of limitation that would be applied if the applicable dispute was filed in court of competent jurisdiction shall apply to disputes under this policy. In the event a court orders the parties to arbitration and/or any other form of ADR under this policy in a case where the suit was initially filed within the applicable statute of limitations and within other applicable jurisdictional deadlines, the party seeking affirmative relief in the case must make the required filings with AAA within 45 days of the date of the court order, or the case shall be dismissed with prejudice. Any case not submitted to Arbitration or filed in court within the applicable statute of limitations or other applicable jurisdictional deadline shall be subject to dismissal in accordance with applicable law. This provision is

not intended to constitute a waiver of the obligations of the parties to submit disputes in accordance with this policy, but as a time limit for cases not otherwise time-barred to be submitted to arbitration.

Unless otherwise agreed by the parties, arbitration shall take place in the city in which the Division office of the division or corporate office or equivalent to which the Associate is assigned is located. The Associate will pay AAA's filing fee for disputes arising under "employer-promulgated plans" under the Arbitration Rules and bear his/her own attorney's fees and costs of preparing the case, unless the arbitrator awards such fees and costs. The arbitrator is empowered to award attorneys' fees and costs to either party based on applicable law. The Company will pay the remaining part of the filing fee, AAA's administrative fees for such disputes, and the fees and expenses of the arbitrator, and it will provide or pay for the hearing facilities. The Associate acknowledges that the Company's payment of such fees shall in no way affect the neutrality of the arbitrator, and will stipulate to same prior to the commencement of the arbitration.

In rendering an award, the arbitrator shall determine the rights and obligations of the parties according to applicable law, and the arbitrator's decision shall also be governed by applicable law as though the matter were before a court of law.

Associate understands that, notwithstanding anything to the contrary in the AAA Arbitration Rules, and in consideration for the relaxed standards of evidence and speed of arbitration proceedings, Associate and the Company agree to arbitrate any claims individually and further agree there shall be no class actions, collective actions, multi-plaintiff arbitrations, or class arbitrations of any claims within the scope of this Arbitration Policy. The arbitrator shall not have power to treat any claim as a class, collective, multi-plaintiff, or consolidated claim. This means that arbitration may only proceed on an individual basis.

Associate further understands that, notwithstanding anything to the contrary in the AAA Arbitration Rules, Associate and the Company agree that formal discovery in any arbitration proceeding shall be limited to four (4) depositions per side; fifteen (15) interrogatories per side; and requests for production of documents/things shall be limited to thirty (30) document categories per side. Provided, however, that the arbitrator shall have the power to increase the number of depositions, document requests and interrogatories upon a showing of good cause and substantial need and that the requested discovery is not duplicative or cumulative and cannot be obtained by less-intrusive, less-burdensome, and less-expensive means. Documents and information that are equally available to each party, such as information available in the public domain, may not be requested through discovery.

Associate and the Company further agree that a party may serve on the opposing party an offer to settle, compromise and/or allow judgment on specified terms, in accordance with the requirements of any state or local law or rule providing for offers of settlement, compromise and/or judgment that exist in the geographic location of the arbitration proceeding. And any such offers shall be governed by applicable state or local law. If there is no applicable state or local law in effect concerning offers of settlement, compromise and/or judgment in the geographic location of the arbitration proceedings, the parties are entitled to make an offer of judgment in accordance with the requirements of Rule 68 of the Federal Rules of Civil Procedure. If the opposing party serves timely written notice accepting the offer, either party may then file the offer and notice of acceptance, plus proof of service, with the arbitrator. The arbitrator must then enter a written arbitration award confirming judgment in accordance with the terms specified in the accepted offer. An unaccepted offer is considered withdrawn, but it does not preclude a later offer. The impact of an unsuccessful offer will be determined by the Arbitrator in accordance with applicable law.

Either party may file dispositive motions of the kind allowed by the Federal Rules of Civil Procedure, and the arbitrator shall timely rule on such motions in accordance with applicable law.

Any arbitration award shall be accompanied by a written statement containing a summary of the issues in controversy, a description of the award, and an explanation of the essential findings and conclusions. Such decision shall be final, conclusive and binding on the parties to the arbitration. The decision of the arbitrator shall be made within thirty (30) days following the close of the hearing. Associate and the Company agree the award shall be enforceable by any state or federal court of competent jurisdiction within the state in which the Associate works for the Company.

If any part of this arbitration procedure is in conflict with any applicable law, the law shall govern, and that part of this arbitration procedure shall be reformed and construed to the maximum extent possible in conformance with the applicable law. The arbitration procedure shall remain otherwise unaffected and enforceable. This Arbitration Policy is not intended to interfere with or restrict protected concerted activities pursuant to the National Labor Relations Act.

1.9 ANTI-RETALIATION

Associates have a responsibility to promptly report, in good faith, alleged incidents of discrimination, harassment, unlawful employment practices, or employee or management misconduct. Achieving the Company's core values depends upon maintaining an environment in which Associates know they can report such concerns without fear of reprisal or retaliation. It is therefore the Company's policy that under no circumstances will an Associate who in good faith reports alleged misconduct, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

Any Associate, including officers, supervisors and managers, who is involved in any form of retaliation against an Associate who reports misconduct or cooperates in any investigation related to such incidents, will be subject to disciplinary action up to and including termination.

Any Associate aware of any discrimination or harassment of any type, whether by a co-worker, supervisor, manager or officer of the Company, or anyone else in the course of his/her employment, must contact his/her Division President or Branch Manager and the Regional Human Resources Director or the Chief Human Resources Officer. Associates also can submit concerns or complaints confidentially and anonymously to the Ethics Hotline.

1.10 EXPECTATIONS OF OUR ASSOCIATES

"We need you to dive in - contribute to our team - learn about and be a part of our culture. Bring your ideas. Bring your enthusiasm. Share your energy. Help make us the very best customer driven company in the country."

Here are just some of our expectations of our Associates:

- Be a valuable contributor to the total team effort.
- Share your ideas, enthusiasm and energy in an effort to make the entire customer experience and our work environment extraordinary.
- Treat fellow Associates, customers, vendors, trade partners and other business Associates with professionalism, respect and care.
- Whenever possible, offer assistance to fellow Associates within or outside your office, department or division.
- Understand and appreciate the values that drive our business and culture.
- Be curious. Make a commitment to yourself to continuously learn and expand your skills.
- Be a leader. Be responsible for setting an example of pride, professionalism and excellence in everything you do.
- Help provide a supportive and welcome work environment for all Associates regardless of one's race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age (40+), disability, veteran status, genetic information or other legally protected status.
- Comply with the Company Code of Business Ethics and Conduct and report any suspicion of violations of the policy or other fraudulent or illegal activity.
- Empower yourself to delight our customers. Do whatever is necessary to appropriately address requests promptly and thoroughly.
- Continuously search for the competitive edge -- the things that separate our Company from the rest of the pack.

The Code applies to all **Company Associates, officers, and directors**. We must comply at all times with the principles in the Code - both their letter and their spirit. We also cannot ask a third party to engage in any activity that violates the principles in the Code. Violations of the Code are grounds for disciplinary action, up to and including termination of employment, reduction of compensation, and possibly even legal action.

The Code also applies to the **Associates of Lennar's subsidiaries**. For the purposes of the Code, a person who is employed by the Company and serves as an officer of a subsidiary will be treated as an Associate, but not an officer, of the Company, unless the person is regularly involved in setting policy for Lennar Corporation and its subsidiaries, and therefore in fact functions as an officer of Lennar Corporation.

Higher Expectations for Managers

Although all Associates are expected to follow this policy, the **Company's managers carry certain additional responsibilities** due to their roles as leaders within the Company to:

- Set a good example of ethical behavior
- Establish a culture of openness and respect
- Monitor events within the workplace to ensure overall compliance with Company policies and the law

- Respond promptly and appropriately to concerns raised by Associates- which may include referring them to the Ethics Hotline, Human Resources, the Legal Department, and/or other management personnel as appropriate
- Report violations of Company policies and the law

SECTION 2 – EMPLOYMENT PRACTICES

2.1 NEW HIRE DOCUMENTATION



New Associates must provide us with certain information and complete a variety of forms when they commence employment:

1. Employment Inquiry Release
2. Authorization for Direct Deposit
3. Emergency Notification
4. I-9 Employment Eligibility Verification (Section 2 is completed by the Company). Associate must provide original acceptable forms of ID to the HR Facilitator.
5. W-4 Associate's Withholding Allowance
6. Equal Employment Opportunity Survey
7. Receipt for Company Issued Items
8. Notification of Introductory Period (for determining unemployment compensation eligibility for Florida Associates only). For overall corporate policy see the Introductory Period section below.
9. Copies of Licenses required, including Original Real Estate Licenses as required by state law and, if applicable, transfer of license forms.
10. Required Workers' Compensation forms.
11. Acknowledgment of Receipt of Associate Reference Guide, arbitration policy, prevention training, and Code of Business Ethics and Conduct.
12. Network Security Requirements
13. Injury Prevention Form
14. Form 8850-Work Opportunity Tax Credit

This material (with the exception of any applicable state or local withholding forms) is available from the Regional or Corporate Human Resources Department.

Open job requests must be submitted to and approved by Human Resources before the hiring process begins.

A [Personnel Action Form](#) ("PAF") must be completed at the time the offer of employment is accepted. A manager involved in the hiring should send a copy of the offer letter along with the completed PAF to the Regional Human Resources Department for processing.

2.2 CHANGE OF PERSONAL STATUS

Associates are responsible for reporting any change(s) in personal status. Associates must complete the appropriate online form. Personal status changes include:

- Name
- Address/phone
- Emergency information
- Direct Deposit
- Federal Withholding

Contact the Corporate Payroll Department for the following changes:

- State Withholding

Contact the Regional Human Resources Department for the following changes:

- Citizenship status/work permits
- Military status

Contact the Corporate Benefits Department for the following changes:

- Dependent information for insurance coverage
- Beneficiary information for life insurance and 401(k) Plan
- 401(k) Plan participation
- Family Status Changes

Family Status changes include, but are not limited to: marriage, divorce, birth or adoption of a child/foster child, child gain or loss of eligibility or employment, spouse gain or loss of coverage or employment, death of covered dependent, change of employment status (FT to PT). Note this is not intended to be a complete list of Family Status changes. Associates who believe they qualify for a change in benefits due to a change in status should contact the Corporate Benefits Department immediately. Any change reported after 31 (thirty-one) days from the event will lose benefit change eligibility until the next open enrollment period or the next change of status event.

Associates wishing to add, drop or otherwise change benefits coverage for Associate or for any dependent must make election changes and provide appropriate documentation (marriage license, birth certificate, etc.) within 31 days of the event. Call 1-800-353-8100, option 2 followed by option 4 for further instructions.

2.3 EMPLOYMENT STATUS

Full-Time Associate

A full-time Associate works a regular schedule of at least thirty (30) hours per week and is eligible to participate fully in all Company benefits.

Part-Time Associate

A part-time Associate works a regular schedule of less than thirty (30) hours per week. Part-time Associates are not eligible to participate in any Company Health and Welfare benefit programs, except that Part-time Associates of Rialto are eligible to participate in that Company's Health and Welfare benefit programs. Part-time Associates are eligible to participate in the 401(k) Plan. Part-time, hourly, Associates will be paid two weeks in arrears.

Temporary Associate

Temporary Associates are hired for a pre-established period (typically six months or less), usually during periods of peak workloads or for vacation relief. Temporary Associates may work a full-time or part-time schedule. Temporary Associates are not eligible to participate in any Company Health and Welfare benefits. Temporary Associates of Rialto are not eligible to participate in 401(k). Temporary Associates of all other Companies are eligible to participate in the 401(k) Plan. Temporary, hourly, Associates (part-time or full-time) will be paid two weeks in arrears.

Intern Associate

Intern Associates are hired for a pre-established period as "interns." Intern Associates are to be scheduled as part-time, but may work a full-time schedule. Intern Associates are not eligible to participate in any Company Health and Welfare benefits. Intern Associates of Rialto are not eligible to participate in the 401(k) Plan. Intern Associates of all other Companies are eligible to participate in the 401(k) Plan. Interns will be paid two weeks in arrears.

Exempt Associate (Salaried)

Exempt Associates (Salaried) are compensated on an annualized salary basis and are considered "exempt" from the overtime compensation provisions of the Fair Labor Standards Act (FLSA) and applicable state laws.

Non-exempt Associate (Hourly)

Non-exempt Associates (Hourly) are compensated on an hourly basis and are eligible for overtime compensation according to the provisions of the FLSA and applicable state laws. Non-exempt Associates will be paid two weeks in arrears.

All non-exempt Associates are required to submit a timesheet for each pay period. The time sheet should be submitted using the electronic system via MyInfo for approval to their supervisor. The time sheet must reflect the actual number of hours worked by the Associate and must be approved electronically by the Associate. Associates are responsible for ensuring that time sheets are prepared correctly and accurately.

Commissioned Associates

Associates are paid according to their written Agreement or applicable schedule of terms.

Non-Exempt Associates (and other Associates as requested by the Company) are required to report all hours worked, as well as meals, truthfully and accurately. Falsification of time records, including under-reporting and over-reporting of hours worked, is a violation of Company policy, and will result in discipline up to and including termination of employment. Associates instructed to record on their time sheet more hours or fewer hours than actually worked must immediately notify Human Resources. Non-exempt Associates are paid two weeks in arrears.

Participation in Benefits Programs

With the exception of the 401(k) Plan in some circumstances, individuals will not be eligible to participate in any Company provided or sponsored benefits (including but not limited to vacation, health benefits, etc.) while the Company regards the individual to be:

- a Temporary or Intern Associate;
- a Part-Time Associate; or
- an employee of a staffing agency.

2.4 PAY POLICIES

Pay Days

Full-Time Associates are paid bi-weekly (26 pay periods) for scheduled hours worked during the pay period ending at midnight on payday. Paydays and pay cycles are published by the Payroll Department. Adjustments for overtime and time taken off will be processed in the following bi-weekly pay period or during the payroll period in which the timesheet is submitted with adjustments. As described in the Associate Benefits section, new Associates cannot use accrued paid time off until the pay period following the Associate's 90th day of continuous employment.

Work Schedules

Our Time and Labor electronic system maintains an electronic schedule for both non-exempt and exempt Associates. The Company standard schedule for hourly Associates is Monday thru Friday, 8:00 am to 5:00 pm, with an hour lunch break. To the extent their hours are different from these, non-exempt Associates must modify or obtain a modification to their schedules in PeopleSoft to reflect actual time worked.

Non-exempt Associates are eligible for a minimum of 30 minutes of uninterrupted meal period. If Associates or their manager shortens the meal period to less than 30 minutes, the entire meal period is then compensable and the Associate's timesheet should be shown with no meal period taken with a comment on that scheduled date indicating the reason for the shortened meal period.

Our workweek is defined as 12:00 a.m. Saturday to 11:59 p.m. Friday.

Non-Exempt Associates (Hourly)

Associates must accurately record the time beginning and ending each work period every day according to the instructions on the electronic timesheet. It is essential that Associates' time sheets accurately reflect the number of hours worked and the time Associates left for and returned from meal periods, as well as all paid time off.

Associates must accurately record all time spent performing work on behalf of the Company on their timesheets. This includes, but is not limited to, time spent performing work on behalf of the Company utilizing any Company issued or reimbursed, or personal, cellular phone, smartphone, laptop, pager, or any other electronic device, even if such work is performed while Associates are away from the Company's business premises or after regular business hours. Training time, including mandatory outside training as well as mandatory and non-mandatory in-house training, counts as time worked and must be recorded on Associates' timesheets.

When required to travel on Company business, Non-exempt Associates must accurately record their travel time on their timesheets in accordance with the following guidelines:

Travel time not counted as time worked includes:

- Commuting time to and from work.
- Commuting time between home and a common carrier (e.g., airport, train or bus station).
- Time spent outside of regular work hours as a passenger on a common carrier.
- Meal, rest, and sleeping periods, and other time when no work is done and Associate is free to engage in purely personal pursuits.

Travel time counted as time worked includes:

- Required time spent during regular work hours on a common carrier.
- Required travel between offices or work locations.
- Time worked during regular work hours, or outside of regular work hours while not free to engage in purely personal pursuits.

Associates should contact the Payroll Department with any questions regarding travel time.

Associates' submission of their timesheets to their manager for approval verifies that the timesheet is complete and accurate. Associates must submit their timesheets to their supervisor for approval no later than the Monday following payday for each reporting period.

Company policy requires Associates to report all hours worked, as well as meals, truthfully and accurately. Falsification of time records, including under-reporting and over-reporting of hours worked, is a violation of Company policy, and will result in discipline up to and including termination of employment. Associates instructed to record on their time sheet more hours or fewer hours than actually worked must immediately notify Human Resources.

Retaliation against an Associate, who in good faith reports alleged violations of this policy, or who cooperates in any investigation or proceeding related to this policy, is strictly prohibited and shall constitute a violation of this policy.

Associates must indicate the general reason for each absence on a Time-Off Request Form and submit it, along with any required supporting documentation, to their supervisor for approval and processing during the pay period in which the absence was taken or the pay period immediately following their return.

All Associates must use all paid time available (vacation and personal days), and sick time, including banked sick time (used only for Associate's personal illness), before they can take time off without pay.

Exempt Associates (Salaried)

Exempt Associates (Salaried) are required to report only *time-off* that occurs in whole day increments (including sick, personal, vacation, or other time off). Such exceptions must be recorded on the timesheet and submitted to the Associate's supervisor for approval.

Associates must indicate the general reason for each absence on a Time-Off Request Form and submit it, along with any required supporting documentation, to their manager for approval and processing during the pay period in which the absence was taken or the pay period immediately following their return.

All Associates must use all paid time available (vacation and personal days), and sick time (both regular and salaried sick, as applicable, and used only for Associate's personal illness), before they can take time off without pay.

Overtime

Various factors, such as workloads, customer needs, operational efficiency and staffing needs, may require variation in an Associate's starting and quitting times and total hours worked each day or each week. Whenever necessary, Associates may be assigned jobs other than their usual assignments and may be required to work overtime or hours or days other than those normally scheduled. All overtime, including shortened meal periods, must be approved in advance by the Associate's immediate supervisor.

Non-exempt full-time Associates are paid for actual hours worked each week. All hours worked must be recorded accurately. Non-exempt Associates who are required to work overtime, will have overtime pay determined in accordance with the FLSA and applicable state overtime rules.

- Paid time off will not be considered hours worked for the purpose of computing overtime. This includes paid holidays, sick leave, vacation, personal days, bereavement, jury duty and military leave.
- Holiday worked will be paid holiday hours based on the work schedule, plus hours worked.
- Weekend work does not automatically qualify for overtime compensation. Hours worked on Saturdays and/or Sundays qualify for overtime under the standards noted above.
- Time off or compensatory time, in lieu of overtime is not permitted.
- No "off the clock" work is permitted for non-exempt Associates. All time worked must be shown on the timesheet.

Exempt Associates do not receive overtime pay.

Deductions

As required by law, Federal, State, and local taxes (where applicable) are withheld from each Associate's pay.

Every paycheck deduction is explained on Associates' electronic pay statement or check voucher. Associates should contact the Payroll Department with questions regarding deductions.

Associates may change the number of withholding allowances claimed for federal income tax purposes by going to [MyInfo Associates Self-Service](#).

State forms are located on the [Payroll page of the Lennar Portal](#).

Bonuses

Unless specifically provided in any applicable agreement or plan, all bonuses, including the amount, are earned at the sole discretion of the Company. Additionally, bonuses are not earned unless the Associate is a full-time active employee of the Company at the date of payment, and Associate meets all other conditions and requirements in any applicable agreement or plan. These provisions apply whether or not any written agreement or plan is applicable to the bonus.

Complaint Procedure

The Company makes every effort to ensure that its Associates are paid timely and accurately each payroll period. Occasionally, however, inadvertent mistakes can happen. When mistakes happen, the Company will promptly make any corrections. To assist the Company in its efforts, Associates should review their pay statements each pay period to ensure that pay is accurate and immediately report to the Payroll Department any discrepancies.

In the event an Associate feels there has been an improper deduction from his/her compensation, the Associate must immediately report the suspected improper deduction in writing to the Director of Compensation and Payroll Services addressed to payrollhelpdesk@lennar.com.

The Company encourages and expects Associates to use the complaint procedures. No Associate will be retaliated against for reporting any suspected improper deductions.

All complaints of improper deductions will be promptly investigated. If valid, the Company will provide the Associate with payment for the improper amount deducted.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.5 INTRODUCTORY PERIOD

The purpose of an introductory period of employment is to ensure that new Associates are meeting initial performance expectations. During the introductory period, the duration of which is the first ninety (90) days of employment, managers and new Associates are encouraged to communicate their thoughts regarding the completion of all job requirements and clarify performance expectations, including by using the [Introductory Period Review form](#). It is an opportunity for managers to recognize a new Associate's contributions or to coach the new Associate if certain areas of performance require attention or improvement.

After successfully completing the introductory period, new Associates are eligible to use any earned vacation, sick days, or personal days starting with the pay period following 90-days of continuous employment.

All Associates are at-will employees during and after the introductory period of employment.

This introductory period should not be confused with the "Waiting Period" for Benefits. The Benefits Waiting Period is defined in The Company Benefits Program Section of the ARG. Associates who are eligible to enroll in Benefits will be required to enroll during their initial enrollment period which begins on the day Associates receive their invitation to enroll in benefits. Associates who are eligible to enroll in benefits will receive invitations via email during their first two weeks of employment.

2.6 PERSONNEL ACTION FORMS (PAF)

[Personnel Action Forms](#) must be completed, signed by the preparer and management, and forwarded to the Human Resources Department when any of the following events occurs:

- New Hires and Re-Hires
- Job reclassification/job title change
- Transfers
- Promotion/Demotion
- Pay Rate Change
- Change in auto allowance
- Supervisor Change
- Department Correction (not necessary if there is an entire change for the dept.)
- Employment Status Change (Full-time/Part-time)
- Associate Type Change (Regular/Temporary)
- FLSA Status Change (Hourly/Salary)
- Employment Separations (voluntary and involuntary)

The department/division manager or supervisor typically prepares a [Personnel Action Form](#) for these events. All Personnel Action Forms must be approved by the Department Director; either the Division President, Branch Manager, Corporate Manager, or Department Head; and Human Resources. The Regional President's signature is required if the Associate is a direct report of the Division President, Branch Manager, Corporate Manager/Head. Personnel Action Forms for Associates in a corporate office department require approval by a department head and a Corporate Executive.

2.7 PERFORMANCE EVALUATIONS

The Company may conduct performance evaluations from time to time. The performance evaluation process provides Associates and managers an opportunity to:

- Communicate and update performance expectations of the Associates.
- Mutually define goals for the Associate
- Recognize the Associate's performance achievements or areas of performance requiring improvement.
- Identify ways to enhance the Associate's skills and knowledge required to succeed in his/her role.

We place equal emphasis on the importance of well-prepared evaluations and comprehensive performance discussions. Managers and supervisors are asked to carefully evaluate each Associate's performance, including recognizing accomplishments and identifying any areas of performance requiring improvement.

After completing the evaluations, managers and/or supervisors discuss the evaluations with Associates. During the discussion, managers/supervisors and Associates are encouraged to define goals, clarify performance expectations and address other issues of importance. Divisions may conduct additional evaluations as deemed necessary.

2.8 EXPENSE REIMBURSEMENT

This policy applies to all Associates and is intended to provide guidelines for Associates who incur necessary business expenses while conducting Company business and the procedures governing business expense reimbursements, including business travel and entertainment, and miscellaneous expense reimbursement.

The Company will reimburse for eligible necessary and reasonable business expenses incurred that are directly related to the Associate's job duties and approved by the Company. "Directly related" means (i) there is an expectation of deriving some tangible benefit for the Company; (ii) the Associate is actively engaged in business meetings or activities necessary to the performance of the Associate's job; and (iii) there is a clear business purpose for the expense incurred. The Company shall determine in its sole discretion which expenses are eligible for reimbursement in accordance with applicable law. Mileage is not an eligible business expense unless specifically authorized in writing by the Associate's Manager or is required by applicable law. All Associates are expected to:

- Conduct business in a fiscally responsible manner and exercise good professional judgment regarding expenses.
- Spend the Company's funds as carefully and judiciously as they would if they were spending their own money.
- Report all expenses promptly and accurately with required supporting documentation.

All business related expenses must be reported and submitted through the Company's automated expense reimbursement tool offered through Chrome River for approval and reimbursement. There will be no advances for travel or other expenses.

The Company's Travel Programs should be fully utilized to take advantage of discounted rates. Therefore, before making travel arrangements (airline tickets, rental cars and hotel reservations), Associates should refer to the [Travel section on the Lennar Portal](#). Any travel that does occur should be conducted consistent with the Company established Travel policy rates and regulations.

Following is a description of the various criteria to be used as a guide when completing the online Expense Report form.

Report Name – Enter an appropriate name to associate the business expenses with a particular trip or event.

Business Purpose – Indicate business purpose of trip. Use the Expense Menu Bar to categorize all amounts to the correct expense item.

Air Travel – Book coach class fares only. Request travel arrangements as far in advance as possible to take advantage of lower fares. Schedule trips to assure maximum time efficiency.

Ground Travel:

Mileage – The number of miles is calculated by taking the total business miles traveled less "base miles." Base miles are defined as the number of miles from the Associate's home to their home office. Mileage reimbursement is based on rates set forth by the IRS, and will be reimbursed at the rate established at the time of travel. The online tool uses Google Maps to calculate miles. This must be used for the expense report to be submitted and approved.

Car Rentals – Reserve compact or mid-size vehicles only. When possible, use preferred vendors and **decline** LDW or CDW insurances when on Company business. Contact the Risk Management Department for more information. Receipts will be required for reimbursement of gas used for car rentals, mileage will not be reimbursable.

Hotels – Single person occupancy only. Seek reasonable room accommodations at moderately priced hotels/motels.

Meals – Must be recorded under:

- Company Associates only (if no external guests are present)
 - o Local Meals – if within their local office area
 - o Travel Meals – if outside of their local office area
- Business Entertainment (if external guests are present)
 - o Local Meals – if within their local office area
 - o Travel Meals – if outside of their local office area
- List all persons (internal and external). Indicate names of those persons who participated in business discussions, the company they represented and where they were entertained (restaurant, etc.).
- Expenses for breakfast, lunch and dinner must be reasonable.
- Original receipts with line item detail are required for all expenses. For details on reimbursable versus non-reimbursable expenses visit the [Lennar Travel policy](#).
- The highest-ranking Associate must pay for and expense the meal.

Other Expenses – Enter the cost of miscellaneous expenses, such as telephone, tips, office supplies, and other non-travel expenses under the corresponding expense bar item. Explanations of these expenses are to be included in the “Notes” tab of the Expense Report.

Corporate T&E Card or Declining Balance Card – Must be updated on the Associate’s travel profile in Montrose Travel and must be used for all business expenses. Corporate cards are never to be used for personal charges. Transactions from corporate cards will be automatically fed into the Chrome River online tool.

Receipts – Scan or upload itemized receipts, credit card statements, or canceled checks for all travel expenses under the **Receipts** Tab. Receipts are required for each line item on the expense report.

Complete all fields of the expense report and explain any policy exceptions or compliance warnings that are identified. Once completed, the form must be submitted online for review and approval. Associates should follow the guidelines in the Lennar Travel Policy. Seek reasonable, comfortable accommodations exercising due regard to economy in hotels, meals and transportation.

2.9 COUNSELING REPORT NOTICE

At the Company, we value Associates who get the job done and deliver on their commitments (“The What”). Equally important is the behaviors our Associates display in getting the job done (“The How”). Occasionally, Associates may not get the job done in a way that meets our performance expectations and as a result, we have developed a counseling procedure that ensures Associates receive clear, candid and timely feedback. The intent of verbal counseling is to help the Associate learn from past mistakes and to encourage the Associate to develop a plan to avoid them in the future.

Sometimes an individual will behave in an unsatisfactory manner, or is unable to effectively fulfill the job function for which he or she was hired. Should this occur with any Associate, the supervisor should verbally counsel the Associate about the particular problem area. Dates of the counseling session(s) and specifics of the discussion(s) should be noted and placed in the Associate’s file; a Counseling Report Notice form may be used for this purpose. The Counseling Report Notice form and instructions can be found on the [Associate page](#).

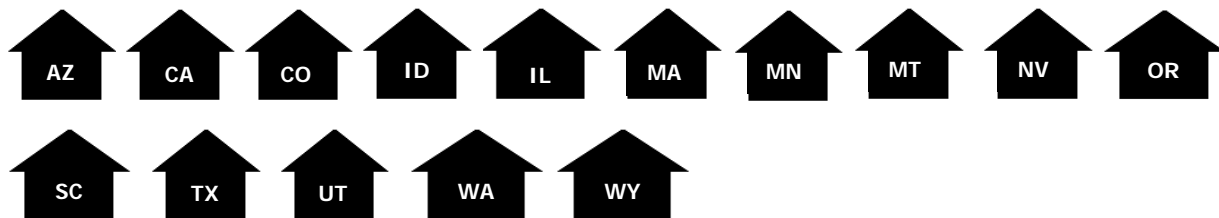
If verbal counseling does not result in improved performance, a written notice advising the Associate of the unacceptable performance and/or behavior may be issued. It may also be appropriate to use email or other forms of written communication to address performance issues. The Counseling Report Notice should specifically describe the unsatisfactory behavior and allow the Associate a stated period of time to show an improvement. Both the Associate and the supervisor are to sign the Counseling Report Notice in acknowledgement of delivery and receipt. The failure or refusal by an Associate to sign a

Counseling Report Notice does not affect its validity. Copies of the Counseling Report Notice are to be kept by the supervisor and the Associate, with the original sent to the Regional Human Resources Department.

The Counseling Report Notice is intended to be used as a general guideline for correcting unacceptable performance and/or behavior. Circumstances may arise which will require more appropriate disciplinary action; however, Human Resources must be contacted prior to terminating an Associate. Management reserves the right to select the disciplinary action for unacceptable behavior, up to and including immediate termination of employment (without the issuance of any Counseling Report Notice forms), depending on the seriousness of the offense, in the judgment of management.

The Company does not have a progressive or step-discipline policy. It is not a requirement that prior notice or a written or oral reprimand be given prior to any disciplinary action or termination of employment.

2.10 TERMINATION OF EMPLOYMENT



Voluntary Termination

An Associate may resign his or her position at any time. It is customary, however, for any Associate resigning his or her position to provide two weeks' notice. No paid time off can be taken after resignation is submitted. At the time of resignation an Associate should submit a written letter of resignation.

Associates who are absent from work for more than three (3) consecutive days without notifying and receiving prior approval from their supervisor, and Associates who fail to return to work at the conclusion of an authorized leave of absence, will be considered to have voluntarily resigned at their own election.

Final pay will be available on the next scheduled payroll run, unless otherwise required by state law or local regulations. Unused accrued vacation will be included with the final pay. Sick days and personal days are not compensable at time of resignation.

Involuntary Termination

In some cases, the Company may provide advance notice of termination, or provide severance pay. However, the decision to provide notice or severance pay is at the sole discretion of the Company. A final paycheck will be available on the next scheduled payroll run (not necessarily at the time of separation), unless otherwise required by state law.

Return of Confidential Information and Company Property

Upon notification of termination, Associates must return to the Company all Company property including the Company's confidential and/or proprietary information in their possession or control, including but not limited to prospect and sales data and contracts, customer lists and other related data, pricing data, vendor and supplier data, sales kits, training manuals and related information, policy and procedure manuals except for this Reference Guide, community files, financial records and reports, purchaser

and/or buyer information, marketing information, and other information relating to the business of the Company. Additionally, at the request of the Company, Associates will fully cooperate with the Company in accessing all Social Networking Technologies (as defined in the Social Networking Technologies Policy) over which Associates have access or control; and transferring ownership to the Company of 1) all social media accounts that have Lennar or the Company in the title or otherwise depict the Company in any way; and 2) all other content relating in any way to the Company.

Associates who are leaving the Company with any licenses held under the name of the Company or any Company subsidiary must notify those licensing departments of such status changes.

Post-Employment Inquiries

No employment references will be provided. However, verification of employment will be provided in the form of job title(s), dates of employment, and (if requested in writing by the former Associate), rate of pay. Associates should direct all post-employment inquiries to Corporate Cost Control.

Termination Forms

Upon notification of termination, the following forms **must be completed and signed** by the supervisor and/or Associate, if required, and faxed to the appropriate department **before** the Associate's last day of employment:

- [Personnel Action Form](#) - Attach letter of resignation, if applicable, and fax PAF and attached letter of resignation to the Payroll and Regional Human Resources Departments.
- [Associate Separation Certification](#) – (send original to HR to be retained in Associate's personnel file)
- [Exit Interview Questionnaire](#) – (Voluntary Terminations Only – send completed form to the Regional Human Resources Department)

Severance Pay

There is no right to severance pay. If it is determined that severance pay will be offered, any and all severance amounts offered represent consideration for the Associate's agreement to be bound by the terms of a Separation Agreement and General Release or like agreement. The terms of the Separation Agreement and General Release shall be at the discretion of the Company but will include a release of any and all claims against the Company. The Associate will be required to sign the Separation Agreement and General Release before any severance pay is processed for payment.

2.11 TRANSFERS

The Company provides opportunities for qualified Associates to transfer to vacant positions. Associate requests for transfers will not be allowed during the first six months of employment. In addition, in order to be considered for a transfer, the Associate's performance level must be at least satisfactory as determined in the Company's sole discretion.

Associates who want to be considered for a particular position should make this request through their supervisor. All transfers must be approved in writing by the appropriate Corporate Officer, Regional President, Division President or Branch Manager prior to interviewing for the position by utilizing the Internal Job Application form.

Transfers requiring payment of any relocation expenses must be approved by the appropriate Corporate Officer or Regional President.

To apply for a position, please follow the following steps:

1. **Associate requesting transfer Completes two sections of the [Internal Job Application](#): "CURRENT JOB" and "TO BE COMPLETED BY ASSOCIATE REQUESTING TRANSFER"**
 - Attach current resume to application
 - Obtain Supervisor's signature
 - Return Internal Job Application with resume to the Regional Human Resources Department

2. **Interviewing Manager/Supervisor**
 - The Regional Human Resources Department will forward Internal Job Application to interviewing Manager/Supervisor.
 - The interviewing Manager/Supervisor will:
 - Contact interested Associate and coordinate an interview time
 - After interviewing the Associate, complete "DISPOSITION" section on form
 - Return completed form to Regional HR Director

SECTION 3 – ASSOCIATE BENEFITS

3.1 VACATION

This policy is subject to compliance with all applicable state and local laws and regulations.

Vacation Eligibility

All Full-Time hourly or salaried Associates *are eligible* for vacation pay as described in this policy. Commission-based Associates at Eagle Home Mortgage, Equity Home Mortgage, Northwest Alliance Mortgage, Part-Time Associates, Temporary Associates, and Intern Associates *are ineligible* for paid vacation as described in this policy and are not otherwise eligible for vacation. No vacation will accrue during an unpaid leave of absence.

Vacation Year

The vacation year is based on each Associate's date of hire.

Vacation Allowance

New Associates will earn vacation beginning their first pay period of employment. However, new Associates cannot use accrued vacation time until the pay period following the Associate's 90th day of continuous employment.

The guidelines for vacation are as follows: all eligible Associates will earn two (2) weeks of annualized vacation in their first through fifth full years of service, three (3) weeks after their fifth anniversary and four (4) weeks after their tenth anniversary.

Vacation Accrual

Vacation hours for eligible Associates accrue each bi-weekly pay period. Vacation accrual will stop for any pay period during which the Associate is in an unpaid status from the Company or during any unpaid leave of absence. **The amount of hours to be accrued each pay period depends entirely on an Associate's years of full-time service with the Company.** The guideline below outlines the vacation accrual schedule:

Number of Years of Service	Pay Period Accrual*	Annual Accrual*	Maximum Accrual
Up to 5 full years	3.08 hours	80.0 hours/2 weeks	160.0 hours/4 weeks
Over 5 years through 10	4.62 hours	120.0 hours/3 weeks	200.0 hours/5 weeks
More than 10 full years	6.15 hours	160.0 hours/4 weeks	240.0 hours/6 weeks

*These rates of accrual apply to eligible Associates who work regularly scheduled 40-hour workweeks. Eligible Associates who work fewer than 40 regularly scheduled hours per workweek will accrue vacation at an adjusted rate based upon their years of service and scheduled weekly hours.

Associates on Draw, Advance, Salary plus Commission or Commission Only

Exempt Full-Time Associates who are paid on a draw, advance, and/or commission will be eligible to receive \$100 per day during approved vacations.

Non-Exempt Full-Time Associates who receive a salary or hourly wage, plus commission, will be eligible to receive their current weekly salary or base wages during approved vacations.

Associates will be eligible to receive commissions that are earned during their vacation.

VACATION PAY

Associates are strongly encouraged to take vacation every year. Associates continue to accrue vacation pay after the end of a calendar year. ***However, the accumulated total of an Associate's available vacation during any pay period may not exceed the maximum vacation amounts described in the schedule above.*** Once an Associate has accrued the maximum vacation allowable under this policy, no additional vacation will accrue until the amount of unused vacation falls below the maximum level.

Vacation Scheduling

Each Associate is responsible for preparing a [Time-Off Request Form](#) for all vacation requests prior to commencing vacation. The Associate's supervisor or department manager must approve vacation requests. Associates are encouraged to schedule vacations as early in the fiscal year as possible. Managers will take into consideration such factors as the continuity of service in their respective department or division and peak work periods before approving vacation requests. As a result, managers may be required to cancel or revise vacation schedules as deemed necessary.

Associates who are ineligible for ***paid*** vacation are eligible to schedule ***unpaid*** vacation with prior approval from the respective manager.

All paid vacation accruals must be used prior to taking unpaid vacation.

Associates are not eligible for paid vacation before vacation time is accrued.

Vacation Pay

Vacation pay is based upon the rate of pay at the time the vacation is taken. Any holidays that occur during a vacation will be treated as paid holidays.

Accrued vacation for exempt Associates can only be taken in full day increments, except when on an approved intermittent FMLA Leave, Associates may use vacation time in hourly increments.

During a period when an Associate is in an unpaid inactive status, such as during a leave under the Family and Medical Leave Act, he or she may be required to (and be paid for) all, or the appropriate portion of, their earned vacation during this period. The Associate will resume vacation accrual upon return from an unpaid inactive status.

Termination of Employment

Earned but unused vacation will be paid to Associates who leave the Company either voluntarily or involuntarily. Earned but unused vacation represents those vacation days that have been earned but

have not been taken at the time of employment termination or resignation. An Associate's last day of employment cannot be a vacation, sick, or personal day.

Associates who give a two-week resignation notice or who are provided with notice prior to termination will not be allowed to use vacation, sick or personal days during the "resignation" period even if prior authorization has been obtained.

Returning from Vacation

Associates are expected to report to work immediately upon completion of the approved vacation.

3.2 HOLIDAY PAY

During the month of December, the Company publishes a list of paid holidays for the upcoming calendar year. A separate holiday schedule will apply to those Associates working in Welcome Home Centers. In order to be eligible for holiday pay, the Associate must be a Full-Time Associate.

Temporary hourly Associates, Intern Associates, Part-Time hourly Associates, and Associates who are paid on a draw and/or commission only basis are ineligible for holiday pay as described in this policy.

Exempt New Home Consultants also are ineligible for holiday pay as described in this policy. However, they are eligible for time off on Company-recognized holidays, with no reduction in their draws or commissions.

Note that an Associate may take a personal or vacation day, with supervisor's approval, immediately before or after a holiday and be paid for that holiday. Associates who are compensated for the day before or the day after a holiday will be paid for that holiday.

An Associate will not be compensated for holiday pay on days that fall within an unpaid leave period. Should the Company allow early dismissal on the day before a Company holiday, Associates on vacation will not be credited that time.

If a holiday falls on the Associate's regularly scheduled first paid day off, the holiday entitlement will be the previous workday. If the holiday falls on the second paid day off, the next workday will be designated as the holiday.

Exempt (salaried) Associates who are required to work on a holiday will be eligible for a later day off, which needs to be taken within one year of the holiday. This policy does not apply to Non-Exempt (hourly) Associates.

3.3 PERSONAL DAYS

Each Full-Time Associate is provided with two (2) paid personal days on the first day of each fiscal year to be used during that fiscal year. These days may be used at the Associate's discretion for purposes including (1) sickness, which includes family member's illness, (2) additional days of bereavement leave, (3) observance of a birthday or anniversary, or (4) for holidays that would otherwise be unpaid (including religious holidays). Personal days must be approved as far in advance as possible, by the appropriate department or division manager.

To be eligible for a personal day, Associates must be compensated for the last scheduled day immediately preceding the personal day and the next scheduled day immediately following it.

Hourly Associates that have unused personal days at the end of the fiscal year will have those days accumulated for future use as banked sick leave.

Exempt Associates cannot carry over personal days to the next fiscal year and will lose unused personal days.

Personal days for exempt Associates can only be taken in full day increments, except that personal days may be taken in hourly increments by exempt Associates on an approved intermittent FMLA Leave. Personal days are not compensable as part of earned vacation upon separation from the Company except as required by applicable state law.

New Associates will receive a pro-rated allotment of personal days to be used within the fiscal year in which the personal days were provided. Personal days will be available for use at the beginning of the payroll period following the Associate's 90th day of continuous employment. The number of days to be allotted will be based upon the date of employment using the following schedule:

Employed on or before May 31st = 2 days

Employed on or after June 1st = 1 day

Employed on or after August 31st = 0 days*

*If an Associate is employed during the fourth quarter of the fiscal year, a full allotment of two (2) personal days for the following fiscal year will be provided after the completion of ninety (90) days of continuous employment.

A [Time-Off Request Form](#) should be submitted to the Associate's supervisor or manager for every personal day taken and, whenever possible, it should be completed prior to the time being taken. In the event personal days are used for unforeseen purposes, such as additional sick days, a Time-Off Request Form should be completed immediately upon the Associate's return.

Temporary Associates, Intern Associates, Part-Time Associates, and Associates who are paid on a draw and/or commission only basis are ineligible for paid personal days as described in the policy, but are eligible for an equal number of two unpaid personal days.

3.4 THE COMPANY BENEFITS PROGRAM



Full-Time/Regular Associates are eligible to participate in the various Company Benefits Programs in accordance with the applicable plans. For more details, please [click here](#).

In addition to clicking on the link above, Associates can obtain information on benefits from the Benefits Department and from the [enrollment website](#).

New eligible Associates must select benefits coverage during their initial enrollment period in order for coverage to become effective on the first day of the month following one month of continuous employment. Associates are responsible for ensuring that enrollment is completed within this time

frame. Failure to affirmatively enroll in a benefits plan during the initial enrollment period will exclude the Associate from participation in any of the benefit plans, except Company paid life insurance, long-term disability, Associate Assistance Program and 401(k), and voluntary benefit plans until the next annual enrollment.

The Benefits Department will email the benefits enrollment invitation during an Associate's first two weeks of eligible employment. The invitation will provide eligible Associates with the materials and instructions necessary to make decisions about benefits coverage. The annual enrollment period, other than for initial employment, generally occurs during a specific time period in the weeks preceding a new calendar year. All benefits plans are calendar year plans.

Flexible Benefits Program

The Company Benefits Program meets the requirements of a Section 125 Cafeteria Plan as defined by the IRS. As a result, Associates may take advantage of special tax rules that may yield tax savings. At the same time, these tax rules require that an Associate's elections remain in force for a full plan year following the enrollment period. Changes to elections are permitted only if the Associate experiences a "qualified change in status." Please see [The Cafeteria Plan Summary Plan Description](#) for a definition of "qualified change in status." No other exceptions apply. Note: Associates have only 31 days from the day of the qualified change in status during which to make changes. Associates who believe they qualify for this change in status should contact the Benefits Department immediately.

3.5 COBRA

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that most employers sponsoring group health plans offer most Associates and their eligible dependents the opportunity for a temporary extension of health coverage at group rates in certain instances where coverage under the plan would otherwise end.

Associates and (if applicable) their spouses and/or dependents are eligible to continue participation in the Company's medical, dental, vision, and in certain instances, health care spending account, for up to 18 months if the Associate is enrolled in such plan as of the date the Associate loses eligibility due to a reduction in Associate's hours, the termination of his/her employment voluntarily or involuntarily for reasons other than gross misconduct, or if the Associate is a retiree and his/her employer has filed for reorganization under Chapter 11 of the Bankruptcy code. Associates may be eligible to extend their coverage for a longer period of time under certain circumstances.

Consistent with the provisions of the Act, COBRA premiums are set at 102% of the amount the Company is charged by the insurance carriers for same coverage for covered Associates.

Our health plans provide for the continuation of coverage through the end of the month in which an Associate's employment is terminated. Continued coverage under COBRA would commence on the first day of the following month but only if Associates or their dependents elect coverage and pay the required premium. Premiums are due on the first day of the month for each month a member is covered under COBRA.

Contact the Corporate Benefits Department with any questions regarding coverage available through COBRA.

3.6 401(k) PLAN

Introduction

Saving for the future can be difficult, but the Company 401(k) Plan makes saving easy, convenient and attractive. By participating in our 401(k) Plan, Associates can:

- Build an excellent source of income for retirement;
- Lower current taxable income by deferring a portion of pre-tax pay;
- Pay no taxes on the savings or earnings until the money is withdrawn;
- Receive Company matching contributions;
- Invest the savings and earnings in a variety of investment funds, and;
- Obtain daily account information via a toll-free 401(k) hotline or via the member website.

Participation, Automatic Enrollment, and Company Match

All Associates 18 and over are eligible to participate in the plan immediately. The Company has an automatic enrollment policy that will automatically enroll Associates effective the first pay period (reasonably feasible) following from date of eligibility (i.e., 90 days from date of hire, or 90 days from the Associate's 18th birthday whichever happens last). The default contribution rate is 3% of the Associate's eligible pay and the default investment election(s) will be select funds from the 401(k) Plan. Diversification of an Associate's investments will be decided using Goal Maker (read more about Goal Maker below) based on the Associate's age and assuming the Associate is a moderate risk taker. There are no forms to fill out or phone calls to make. All Associates need to do is sit back and enjoy the benefits of saving in the 401(k) Plan. If Associates wish to join the plan sooner or change their contribution amount, or opt out of Automatic Enrollment, contact the Corporate Benefits Department or access the Lennar Portal for the appropriate link to our [401\(k\) provider's member website](#).

To encourage participation in the plan, the Company will contribute a Company matching contribution equal to 50% of the first 6% of salary deferral. This matching contribution is calculated and deposited to participating Associates' accounts each bi-weekly period. More detailed information on how to enroll in the plan or make payroll deduction changes is provided in the [Summary of the Lennar Benefits Program](#) under the 401(k) section.

Automatic Escalation

Associates who have 401(k) contributions that are greater than zero but less than 10% will have their contribution amounts automatically increased each year by 1%. This increase will be effective with the payroll following the anniversary of the Associate's first contribution or entry date. Associates can elect a different contribution escalation rate or date or they may opt out of automatic escalation at any time.

GoalMaker®

GoalMaker® is an easy-to-use asset allocation tool that helps Associates target investment options for their retirement goals. It also helps keep retirement accounts on track over time through its automatic rebalancing and age adjustment features. Automatic rebalancing is done periodically to ensure that accounts stay in line with the original investment objectives.

GoalMaker® works by asking some simple questions in order to determine risk tolerance. Investors generally fall into one of three categories – conservative, moderate or aggressive.

In the default mode, or the mode where Associates are automatically enrolled, it is assumed that Associates are “moderate” risk takers and monies will be invested on that basis.

The second step in using GoalMaker® is to determine in what year an Associate will retire. Associates will be automatically enrolled using the default retirement age of 65, which Associates may change at their discretion.

Catch-Up Contributions

The Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA), provides the opportunity for Associates who are at least 50 years of age to contribute an additional amount of money to the plan. The limit is subject to change each year based on a set schedule. Associates who are eligible to contribute the additional pre-tax amounts, and who wish to contribute to the “catch-up” contribution may do so by electing to contribute. Associates may begin contributions as early as January 1st of the year in which they will turn age 50. Enrollment or changes in the catch-up contributions will be processed as soon as administratively feasible. See the [401\(k\) module of the Lennar Portal](#) for current limits.

Investment Sources

Associates may invest pre-tax, post-tax, Company match and/or roll-over contributions in various investment funds. Each source requires its own investment selection and each selection can be different from the last. The funds have a variety of risk and return characteristics to satisfy each participant’s unique savings and investment goals.

Our plan is designed to allow Associates to transfer money between funds or change the investment mix of existing balances or future contributions as often as needed, provided that trading between funds does not violate the “excessive trading” regulations established by the 401(k) Administrator. Excessive trading is currently defined as: “one or more round trip trades within a rolling thirty day period, where each buy or sell in the transaction is greater than \$25,000 and a trading pattern that did not result from systematic rebalancing, transfers supporting a long-term asset allocation strategy, payroll deductions, or other retirement planning activities. A round trip is a transfer into and out of the same fund”. Our 401(k) Administrator has various tools and information available on the website to assist Associates in making their investment choices.

Vesting

Vesting determines the percentage of Company Matching Contributions an Associate “owns.” Vesting is determined according to the Vesting Schedule (see below) which is based upon the number of plan years in which an Associate works at least 1,000 hours. Salary deferral pre-tax contributions, Roth contributions, catch-up contributions, rollover contributions and voluntary after-tax contributions are always 100% vested.

The vesting schedule is:

<u>Years of Service</u> (with 1,000 hrs worked in calendar year)	<u>Vested Percentage</u>
Less than 1 year	0%
1 year but less than 2 years	20%
2 years but less than 3 years	40%
3 years but less than 4 years	60%
4 years but less than 5 years	80%
5 or more years	100%

Distributions, Loans, In-Service Withdrawals

In most cases, 401(k) benefits are payable after termination of employment. Benefits can be paid in a single lump sum, or in some cases, rolled over to another plan or IRA. Lump sum distributions are subject to a mandatory 20% federal income tax withholding which serves to offset a portion of the taxes owed on the distribution. There is an additional 10% penalty if distributions are made before age 59 ½. A letter of distribution from the Plan Administrator is sent shortly after termination. In some cases, 401(k) benefits can be paid out while employed. See “in-service withdrawals” below.

In-Service Withdrawals are defined as distributions Associates can take while still employed by the Company:

- Financial Hardship Withdrawals (which are defined by the IRS),
- Withdrawals at or after age 59 ½.
- Rollover
- Post Tax
- Total and Permanent Disability
- Loans

Withdrawals are subject to approval and certain restrictions. Call the Plan Administrator or access the website with questions. See the 401(k) module of the Lennar Portal for contact information.

Account Statements

Generally within 30 days after each calendar quarter, account statements are available to all account participants. The statements include the:

- Opening balance for the quarter
- Contributions and investment transfers made during the quarter
- Investment gains or losses that occurred during the quarter
- Withdrawals taken during the quarter.
- Outstanding loan balance(s)
- Ending balance for the quarter

401(k) deductions, including loan payments, are printed on the bi-weekly pay voucher.

Forfeitures

Any unvested Company match contributions made to a participant’s account will be forfeited in the event that the Associate leaves employment prior to satisfying vesting requirements. For example, an Associate who has met the vesting service requirements for 3 years of employment is 60% vested. If this Associate leaves the Company, the remaining 40% of the Company contributions will be forfeited.

Exceptions to this policy exist for normal retirement (beginning at the default retirement age of 65) or in the event of full disability or death.

The Company 401(k) Plan is an Internal Revenue Service qualified plan which, under federal income tax law, may limit the amount of an IRA deduction for single and married persons. Early withdrawals may be subject to additional tax penalty.

For full details and a description of the Company 401(k) Plan, consult the [Summary Plan Description \(“SPD”\) booklet](#) or contact the Corporate Benefits Department.

The Company has the right to amend or discontinue any benefit plan at any time. In the event of any discrepancy between the description of benefits in this reference guide and the actual benefit plan documents, the actual benefit plan documents will control.

3.7 DIRECT DEPOSIT



Bi-weekly pay may be deposited electronically into a checking or savings account. Direct Deposit is the preferred way to handle pay. There are many advantages to direct deposit.

- Safety – pay is electronically transferred into the account(s) of choice, virtually eliminating the risk of lost or stolen checks.
- Flexibility – pay may be deposited into separate accounts (checking, savings, etc.)
- Availability – funds are available immediately on payday.
- Convenience – no more waiting for paychecks and then waiting in line to cash the check.
- Reliability – no waiting for a paycheck to be delivered and no worrying about getting a paycheck if Associate is away from the office on payday.

Associates receive an electronic pay voucher through [MyInfo \(Associate Self Service\)](#), which details the amount earned, all deductions and the amount deposited to each bank account into which Associates have directed their funds.

Enrolling in direct deposit is easy. Contact the Payroll Department for more information.

3.8 ASSOCIATE HOME PURCHASE DISCOUNT

The Company values its Associates and encourages Associates to fulfill their dreams of home ownership. As part of its dedication to those dreams, the Company offers Associates a Home Purchase Discount Program. Subject to the terms of this policy, Associates may purchase one home from the Company in any three-year period from the date of the Purchase and Sale Agreement. All homes purchased under this program must be reported to the Director of Compensation and Payroll Services. Pursuant to subsections A and B of this policy, in lieu of a discounted purchase price, the Associate will receive a bonus payment equivalent to the discount. This bonus is subject to income tax and the Company is required to withhold such taxes through payroll at the time the bonus is paid.

The following conditions apply:

- If an Associate is transferred to an area more than 50 miles from their present home within the three-year period, consideration will be made as to whether the Associate may purchase an additional home under this policy.
- The Associate's name must be recorded on the deed to the property, unless the home is being purchased by an immediate family member as defined in Subsection B of this Section.
- All bonus payments and agreements for home purchases subject to this policy must be approved by the respective Regional President, Corporate Officer, Corporate Controller and/or Operations

Controller, and should be handled directly by the Division President or designated division officer without involving a New Home Consultant. However, if the Division President specifically assigns the processing of the contract to a New Home Consultant, the New Home Consultant may be paid an administrative fee in an amount to be determined by the applicable Regional President upon the final closing of the home.

- No sales commissions or broker's commissions will be paid on sales made pursuant to this policy.
- If two or more Associates buy a common residence, only one can utilize the benefit described herein.
- Associates may purchase a home under this program only as the personal and primary residence of the Associate.
- Associates must be actively employed by the Company at the time of closing to receive the benefit.
- This program (including Subsections A through B of this Section.) is offered with the provision that the Associate or the Associate's family (as such participation is provided herein), will utilize the service of Universal American Mortgage Company and North American Title Company, where such services are available.
- This policy does not apply to the first home sold in any new community.
- The Company will apply a bonus payment to the Associate equivalent to the discount in lieu of the discounted purchase price in order to preserve the integrity of the appraised value of the home.
- Under no circumstances can an Associate or an immediate family member who has a signed contract to purchase a Company model lease it back to the Company.
- Associates who purchase homes pursuant to Subsection A of this Section must warrant to the Company, in the form then in use, that the Associate is purchasing the home for use as Associate's primary residence and the Associate will occupy the Home as Associate's primary residence after closing. If any home purchase made pursuant to this Section requires that another individual's name be recorded on the deed, then such individual(s) must warrant to the Company the provisions outlined above and such individual(s) must occupy the home as their primary residence after closing.
- No New Home Consultant may purchase a home in any community to which the New Home Consultant has been assigned to sell homes, without a review of the proposed purchase by the Company's Division President and Regional President prior to the purchase.
- Without the declaration of a waiver by the Conflicts Committee of the Company, no New Home Consultant may sell a home owned by the New Home Consultant in any community to which the New Home Consultant has been assigned to sell homes.
- Associates and their immediate family members are not entitled to a preferred price under the Company's Home Purchase Program on homes with a purchase price below the price offered to the general public or on homes with a preferred price which results in a gross margin (after deducting field expense and the Associate bonus) below 18% without the approval of the Division President, Regional President or Chief Operating Officer.
- Associate must execute the [Associate Purchase Discount Acknowledgment Form](#) to be eligible.

A. Home Purchase by Associates (Standard Plans)

Full-time Associates with a minimum of one (1) year of continuous employment are eligible to purchase a home from the Company based on the schedule listed below. The established price includes the base selling price, options, incentives and homesite premiums.

The schedule is as follows:

- After one (1) year of continuous employment, 3% of established price, net of all applicable taxes and withholdings, will be reimbursed to the Associate in the form of a bonus payment via payroll after closing.
- Associates with more than five (5) years of continuous employment with the Company, 5% of established price, net of all applicable taxes and withholdings, will be reimbursed to the Associate in the form of a bonus payment via payroll after closing.

- Associates with more than ten (10) years of continuous employment with the Company, 7.5% of established price, net of all applicable taxes and withholdings, will be reimbursed to the Associate in the form of a bonus payment via payroll after closing.
- Associate will be required to execute a home purchase acknowledgement as an addendum to the purchase agreement.

B. Home Purchase by Immediate Family Member

An immediate family member (Associates' children, parents, and spouses' parents) of any Full-Time Associates with a minimum of one (1) year of continuous employment may purchase a home from the Company with a 2% discount off the established price, net of all applicable taxes and withholdings. A bonus equivalent to the discount will be reimbursed to the Associate in the form of a bonus payment via payroll after closing. [The established price includes the base selling price, options, incentives, and home site premiums.] Sales made pursuant to this policy to Immediate Family Members will not count against the one sale to an Associate within the three-year restriction period outlined above.

Associates and any immediate family members who purchase homes pursuant to this Subsection B must warrant to the Company, in the form then in use, that (a) the home is being purchased for use as the immediate family member's primary residence; and (b) the immediate family member will occupy the Home as immediate family member's primary residence after closing.

C. Home Purchase for Secondary Residence, Non-Personal Use, Investment Purpose, etc.

An Associate purchase of a home from the Company not meeting the descriptions and/or situations described in Subsection A through B shall be deemed a Secondary Home. No special pricing, benefits, or any other considerations described in Subsections A through B shall apply to any Secondary Home Purchase.

Commissions on Homes Purchased by Associates

The following questions and answers are provided concerning the payment of commission on homes that are purchased by Associates at the same price that we offer to our customers (fully established price).

1. Do we pay a commission to a New Home Consultant who sells a home at the fully established price to one of our Associates?

ANSWER: No. However, the New Home Consultant may be paid an administrative fee in the amount to be determined by the applicable Regional President upon final closing of the home.

2. Do we pay a commission to a New Home Consultant who purchases his/her own Company-built home at the fully established price?

ANSWER: No.

3. Do we pay a commission to a New Home Consultant who sells a home at the fully established price to his/her spouse?

ANSWER: No.

4. Can a commission be paid to a New Home Consultant who sells a home at the fully established price to an immediate family member, other than their spouse?

ANSWER: Yes, only if the purchased home is the personal and primary residence of the immediate family member.

5. Will we allow an Associate to use a third party broker if they purchase a Company-built home from us at the fully established price?

ANSWER: No.

3.9 REHIRED ASSOCIATES

The following represents the Company's policy with respect to the rehiring of former Associates and the benefits available to them:

Introductory Period

Rehired Associates are subject to the 90-day introductory period applicable to new Associates.

Group Benefits Plans

Associates rehired within 30 days of their prior termination date will be reinstated with all benefits, except 401(k), based on prior elections, and will remain in those benefits for the remainder of the plan year.

Associates who are rehired from 31 days to 180 days after their prior termination date will be required to re-elect all benefits. Their benefits will become effective on the first day of the month following their rehire date.

Associates who are rehired more than 180 days after their prior termination date will be required to re-elect all benefits. Their benefits will be effective on the first day of the month following one full month of employment.

Contact the Corporate Benefits Department for detailed descriptions for each rehire situation.

401(k) Plan

See the [401\(k\) Plan Summary Plan Description](#) for the treatment of former Associates who are rehired.

Vacation

Associates rehired within six months will accrue vacation based upon the original hire date.

Sick and Personal Days

Associates rehired within six months of their termination date and on or before August 31 in any fiscal year will have the prior sick and personal day balances restored for the remainder of the fiscal year. Associates rehired after August 31 in any fiscal year will receive a full allotment of sick and personal days after completion of 90 days of continuous employment to be used in the following fiscal year.

Banked Sick Hours

Associates rehired within 30 days from their prior termination date and in the same fiscal year will have the full allotment of banked sick hours restored. Banked sick hours will not be restored if Associates are rehired within 30 days from their prior termination date but the rehire date carries into the following fiscal year, or are rehired after 30 days from the prior termination date.

Pre-employment Background & Drug Testing

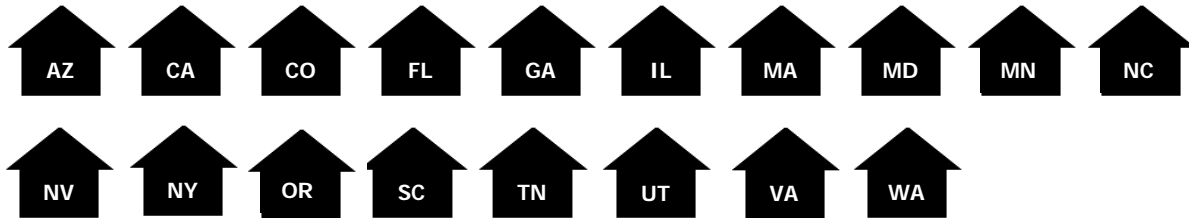
Subject to compliance with applicable laws, a background investigation and drug testing will be conducted on all Associates rehired more than 30 days after their prior termination date.

Home Purchase

If an Associate's employment is terminated and the Associate is rehired within six (6) months of the prior termination date, the Associate may be eligible for the home purchase plan per policy. (Refer to the Home Purchase section.)

SECTION 4 – LEAVES OF ABSENCE

4.1 LEAVES OF ABSENCE



For leaves of absence that last 5 or more work days (days may be consecutive, or intermittent, or reduced hours), Associates must communicate their need for leave by contacting the Leave of Absence Department. Associates will be required to provide all applicable forms and documentation that are required. Such requirements will depend on the type of leave for which the Associate is applying.

For leaves of absence that last 5 or fewer days, Associates must give written notice to their Supervisor by completing a [Time-Off Request Form](#).

While Associates are not required to apply for State, Federal and private income replacement insurance (such as Short-Term Disability), our Leave policy provides that if Associates are eligible for income replacement, and at the same time are eligible for paid time off benefits (sick, vacation, personal), we will reduce the amount of paid time off income that Associates receive by the amount of income replacement for which Associates are eligible.

A leave of absence is a defined period of time during which an Associate is on an excused absence from work. During a leave of absence, prior service with the Company remains intact and certain benefits may continue in effect as stipulated in the relevant benefits plan. All Associates on leave will be required to pay at least their portion of the cost of their benefits if the leave allows for continuation of such benefits. Benefits as used herein include all contributory and noncontributory health, welfare and voluntary plans in which an Associate is enrolled. Except where a different result is allowed by law, an Associate's failure to pay his or her portion of such benefits will result in the termination of those benefits for the Associate and the Associate's family, if any. Please contact the Corporate Benefits Department for details on the effect of a leave of absence on participation in the Company's 401(k) Plan.

Under certain leaves of absence, both the Associate and the Company must comply with federal and/or state leave regulations. Any such leaves may, and likely will, run concurrently with the use of paid time off and in some instances, Associates may have more than one such leave running concurrently.

Not all leaves of absence provide for the same protections or any protections at all. Protection will be determined based upon the criteria of the leave that is reported, the state of residence, employment duration and cumulative hours worked.

Associates must report Leaves of Absence to the Leave of Absence Administrator for Personal Leave or Military Service Leave if the time off from work is more than 5 work days (the time need not be consecutive).

The following leave reasons may or may not have legal requirements and protections, depending on Associate's duration of employment, state of residence, and cumulative hours worked:

- Workers' Compensation Leave
- the birth of a child and to care for the newborn child within one year of birth;
- the placement of a child for adoption or foster care and to care for the newly placed child within one year of placement;
- to care for a spouse, child, or parent who has a serious health condition;
- a serious health condition that makes Associate unable to perform the essential functions of his/her job;
- any qualifying exigency arising out of the fact that Associate's spouse, son, daughter, or parent is a covered military member on "covered active duty;" or
- to care for a covered service member with a serious injury or illness if Associate is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

Associates must provide thirty (30) days' advance notice (unless 30 days' notice is not practicable despite the Associate's good faith efforts) for foreseeable leaves, such as childbirth, adoption or planned medical treatment. If the need for leave is not foreseeable, or if 30 days' notice is not practicable, for reasons such as because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable.

Except for leaves of absence during which the Company cannot require it, all Associates must use all paid time available (vacation and personal days), and sick time (both regular sick time and salaried sick time as applicable), including banked sick time (used only for Associate's personal illness), during any otherwise unpaid portion of their leave before they can take time off without pay.

Benefit Eligible Status While on Leave

Benefits will remain active during certain leaves and during any leave that runs concurrent with the use of sick, banked sick, personal or vacation. The end of such leave or paid time off will trigger the termination of benefits. Benefits will be terminated at the end of the month coincident with the last paid time off or the end of the leave, whichever is later. Associates will be offered COBRA for those benefits that are COBRA eligible and will be offered the opportunity to convert certain other benefits to individual policies as may be allowed by the underlying insurance policy. Where COBRA and/or conversion are not available, benefits would simply terminate during the term of the leave. Upon the Associate's return to full time employment benefits may be reinstated or re-elected according to policy.

Personal Leaves of Absence

Associates may request up to six (6) weeks of unpaid personal leave during any rolling twelve (12) month period. All accrued vacation days and personal days must be used concurrently with Personal leaves of absence. Personal leaves of absence will only be considered when no other type of leave is available.

Approval is entirely at the Company's discretion and may be based on departmental work requirements, the Associate's performance and attendance history and other pertinent factors. A Division or Regional President or a Corporate Department Head must approve Personal leaves and the Leave of Absence Department must be informed of the request for leave prior to the commencement of the leave.

To the extent feasible, the Company will return the Associate to a similar position at the end of the approved leave, but has no obligation to do so. The following conditions may occur:

- An effort will be made to cover the absence.
- If it becomes necessary to fill the position before the Associate is scheduled to return, the Associate will be offered the opportunity to return to work early.

- If the Associate is unable to return to work at that time, the Associate may be considered for any available position for which the Associate is qualified when he or she is able to return to work upon completion of the approved leave. If none are available, the Associate's employment will be terminated.
- Benefits will terminate during a Personal Leave if the Associate exhausts vacation and/or personal hours during the leave.
- Associates may not use sick time during a Personal leave of absence.

Associates granted a leave under the provisions of this policy do not lose previously earned seniority or employment benefits. However, sick pay, vacation pay, and personal days off do not continue to accrue during the portion of the leave that does not run concurrently with the use of banked sick time, regular sick time, paid personal days off, or paid vacation. Associates on personal leave will be subject to the termination of benefits as described in this Section.

If an Associate does not return to work as scheduled from an approved Personal Leave of absence, employment will be terminated as of the date the Associate was scheduled to return to work.

Medical Leave (Other than Leave covered by FMLA or applicable state law)

Unpaid Medical Leaves of absence may be granted to Associates who are unable to work for an extended period of time due to a permanent or temporary physical or mental condition. Subject to the Americans with Disabilities Act and other laws and regulations, such leaves are normally limited to six months in any 12 month period (all leaves combined).

A leave of absence under the FMLA or any other Federal or State leave law (whether taken all at once, intermittently, or on a part-time leave basis) will count against the maximum amount of leave available under this policy. All accrued vacation pay, personal days and paid sick time will run concurrent with and must be exhausted during a Medical Leave that does not qualify as a leave of absence under the FMLA or any other Federal or State leave law before an Associate can take time off without pay.

Approval of Medical Leaves that does not qualify for leave under the FMLA or any other Federal or State leave law and is not reasonable accommodations under the ADA or any State disability discrimination law, is at the Company's discretion and may be based on a number of factors including the nature and extent of the condition, other possible accommodations, performance issues, business needs and conditions and any undue hardship to the Company.

A request for Medical Leave may be granted if the Associate provides a certification from a health care provider certifying that the Associate is unable to perform any work due to a physical or mental condition, the nature and extent of the condition, the date the condition commenced and the requested length of the leave. Unless prohibited, additional certifications and/or updates may be required during the period of the leave under this policy. All Medical Leaves under this policy, including any extensions, must be approved by a Division or Regional President or a Corporate department head and the Leave of Absence Department must be informed of the request for leave prior to the commencement or extension of the leave. The Leave of Absence Department will notify all other necessary departments (payroll, human resources, and benefits) of the Associate's leave request and approval/denial of the request.

The Company will make a reasonable attempt to return the Associate to a similar position at the end of the approved Medical Leave, but has no obligation to do so (unless the Associate is returning from a Medical Leave that qualifies as a leave of absence under the ADA, the FMLA, or other Federal or State leave law). Subject to the ADA and other laws and regulations, if an Associate fails to return to work following a Medical Leave that does not qualify as a leave under the ADA, the FMLA, or other Federal or State leave law, or fails to comply with the requirement to provide the medical certification and any

required updates to the certification, the Associate's employment with the Company may be terminated as of the date the Medical Leave expires or the date the Associate is notified that he or she failed to comply with the medical certification requirements.

Associates granted leave under the provisions of this policy do not lose previously earned employment benefits. However, unless otherwise required by law, benefits such as sick, vacation and personal days do not continue to accrue during the unpaid portion of any Medical Leave. Associates on medical leave will be subject to the termination of benefits as described in this Section.

Anti-Retaliation

Any retaliation for an Associate's good faith request for leave under this policy, or taking such leave, is strictly prohibited.

4.2 SICK LEAVE



A Full-Time hourly or salaried Regular Associate is provided with four (4) paid sick days on the first day of each fiscal year to be used during that fiscal year. A Full-Time Associate of Eagle Home Mortgage, Equity Home Mortgage, or Northwest Alliance Mortgage who is paid on a draw, advance, and/or commission is not eligible for paid sick leave benefits. Sick leave is to be used for Associate's personal illness. In the first year of employment, however, paid sick days become available only after ninety (90) days of continuous employment. Sick leave will be available for use at the beginning of the payroll period following the Associate's 90th day of continuous employment. At that time, the Associate is provided a pro-rated allotment of sick days to be used by the end of the fiscal year in which he or she was employed. The number of days to be allotted will be based upon the date of employment using the following schedule:

- Employed during first quarter of fiscal year (December 1 - February 28) = **4 days**
- Employed during second quarter of fiscal year (March 1 - May 31) = **3 days**
- Employed during third quarter of fiscal year (June 1 - August 31) = **2 days**
- Employed during fourth quarter of fiscal year (September 1 - November 30) = **0 days***

*If an Associate is employed during the fourth quarter of the fiscal year, a full allotment of four (4) paid sick days for the following fiscal year will be provided after the introductory period of employment.

Subject to compliance with applicable laws, the Company may require Associates who are absent due to illness more than three (3) consecutive work days to provide a medical release from a health care provider to his or her supervisor upon returning to work. Under special circumstances, and only when an Associate has exhausted all sick leave available to them, earned vacation and personal time will be applied toward excess sick time.

When the Associate returns to work, a Time Off Form must be submitted to the Corporate Payroll Department for all sick days taken, as well as any vacation used as sick time.

Contact the Payroll or Leave of Absence Department with any questions regarding state or local sick leave laws.

Hourly Associates

Hourly Associates who have unused sick days at the end of the fiscal year will have those days accumulated for future use. Banked sick time is not compensable, but may be accumulated for future use. Sick leave does not have a compensatory value upon resignation or termination of employment.

Salaried Associates

Salaried Associates employed longer than twelve (12) consecutive months (as a salaried and/or an hourly Associate) will be eligible for sick days beyond those sick dates noted above. Rehired salaried Associates must re-satisfy the twelve (12) consecutive month employment requirement.

Eligible salaried Associates are eligible for the payment of wages for up to a maximum of twenty (20) work days per each sick leave occurrence lasting more than five (5) consecutive work days. If an illness recurs less than ten (10) work days after the end of the prior illness, it will be considered a resumption of the previous sick leave occurrence.

Salaried sick leave can only be taken in full-day increments (except that exempt Associates on intermittent FMLA Leave may take salaried sick leave in hourly increments), and no unused days will be carried forward to the next event or the next year.

Salaried Associates may not bank unused sick time. Salaried Associates who have banked sick leave from previous policies will be required to use their accumulated banked sick leave before 20-work day sick leave time will be applied. Banked and 20-work day sick leave for salaried Associates can only be taken in full-day increments, except that exempt Associates on intermittent FMLA Leave may use banked and 20-work day sick leave time in hourly increments. Banked and 20-work day sick leave is to be used only for the Associate's personal illness. Sick leave does not have a compensatory value upon resignation or termination of employment.

Depending upon the duration and nature of an absence, sick leave may also be recorded as family leave under FMLA. See the FMLA section for more details.

4.3 BEREAVEMENT LEAVE



Full-Time Associates are eligible for up to three (3) days of paid bereavement leave in the unfortunate event of the death of an immediate family member. An immediate family member is defined as:

- Spouse
- Child
- Stepchild
- Parent
- Stepparent
- Brother or sister
- Stepbrother or stepsister
- Father-in-law or mother-in-law
- Brother-in-law or sister-in-law
- Son-in-law or daughter-in-law
- Grandparent
- Grandchild

- Others as required by applicable law

If additional time is required, vacation time and personal days may be used, if available.

Temporary Associates, Part-Time Associates and Associates who are paid on a draw and/or commission only basis are eligible for up to three (3) days of unpaid bereavement leave as defined above. In the case of commissioned Associates this unpaid bereavement leave shall have no effect on commissions earned.

A [Time Off Form](#) is required to be submitted to the Payroll Department when utilizing such leave.

4.4 JURY DUTY, SUBPOENAS & DEPOSITIONS



The Company provides Associates with full pay and continued service for purposes of Associate benefits if the Associate is required to serve on jury duty. Associates required to serve as jurors must provide their supervisor with the court summons and must prepare and submit a Time Off Form.

Associates are expected to return to work each day that they are not selected for Jury Duty. If an Associate is dismissed or released from Jury Duty before 12:00 Noon they should contact their supervisor for direction on their need to return to work.

Time off will be granted to answer a subpoena or deposition involving personal matters or any non-Company related matter, but such time off is not compensable under the provisions of this policy. Unused personal and/or vacation time may be used.

4.5 VOTING



The Company has a continuing interest in encouraging responsible citizenship. All Associates are urged to vote for candidates and issues of their choice at local, state, and national elections. To make the voting process more available, Associates who do not have sufficient time outside their working hours within which to vote, may request time off to vote. Up to two (2) hours of paid time off will be provided, at the beginning or ending of the regular work shift, whichever will allow the most free time for voting and the least time off from work. If possible, Associates should give their supervisor two (2) working days' notice of their intent to take time off to vote.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE



The Company has long supported the men and women who serve in the United States armed forces, and is appreciative of the extraordinary commitments they make. If an Associate is required to attend

temporary military training or is placed on active duty, he or she will be granted a military leave of absence upon presentation of duty papers to the Leave of Absence Department. Associates must provide as much advance notice as is reasonably practicable.

The Company will make up the difference between the Associates' current base pay and their base military pay during the period in which reserve duty is required; for temporary military training up to a maximum of two (2) weeks per incident, and for active duty, up to a maximum of six (6) months per activation order. Benefits may be continued for up to six (6) months or for as long as the insurance contract(s) may allow, not to exceed six (6) months, as long as the Associate pays his or her portion of the benefit. Benefits may continue beyond 6 months by electing COBRA continuation coverage.

A copy of the military leave and earnings statement must be submitted to the Corporate Payroll Department before any pay differential can be paid. Any military leave over the maximum limits listed above will be without pay.

Upon release from active duty or temporary military training, the Associate must forward to the Leave of Absence Department a copy of official military orders releasing the Associate from active duty and must notify the Company as follows regarding return to work:

- For military service of thirty (30) days or less, Associates must report to the department or division manager not later than the beginning of the first regularly scheduled work period on the first full calendar day following completion of service and the expiration of eight (8) hours after a period allowing for safe transportation home from the place where the military service was performed.
- For military service more than thirty (30) days but less than 181 days, Associates must report to the department or division manager and submit an application for reemployment no later than fourteen (14) days following completion of military service. Returning Associates who serve more than 180 days must report to the department or division manager and submit an application for reemployment no later than ninety (90) days following completion of military service.

Returning Associates whose military service was ninety (90) days or less are entitled to return to the position in which they were employed or would have been employed if their employment had not been interrupted. Returning Associates whose military service was more than ninety (90) days are entitled to return to the position in which they were employed, would have been employed, or a position of comparable status and pay, the duties of which the Associate is qualified to perform after reasonable efforts by the Company to qualify the Associate. The Company will make reasonable accommodations as provided by law for returning Associates who are disabled during military service.

Military leaves of absence will be provided in accordance with the applicable state and federal laws.

4.7 WORKERS' COMPENSATION LEAVE



General Information

All Associates are covered by Workers' Compensation insurance in the event of an injury or illness determined to be work related. This insurance provides for the payment of medical expenses and for partial salary continuation when an Associate suffers from a compensable work-related injury or illness.

All Division Presidents, Branch Managers, Supervisors, as well as the injured Associate, have the responsibility to report any work-related injury or illness to the Risk Management Department immediately.

There is a waiting period (which varies by state) before Workers' Compensation salary continuation benefits are payable to the Associate for a work-related injury or illness. The Company will pay the Associate's regular wages, for all compensable Workers' Compensation claims, only for the waiting period not covered by Workers' Compensation. Should the Associate's compensable work-related absence extend beyond the waiting period, lost wages will be paid through Workers' Compensation insurance at amounts set forth by the Workers' Compensation laws in the Associate's state of employment.

The Associate's supervisor must report the Leave of Absence to the Leave of Absence Department as well as the Risk Management Department immediately.

If the Associate is eligible for leave under the FMLA, leave for Worker's Compensation will run concurrently with FMLA Leave and count towards the Associate's 12-week family/medical leave entitlement, and all FMLA protections will be afforded. See the FMLA section for further details. Associates on Workers' Compensation leave will be required to pay their portion of their health and welfare benefits as described in the Leaves of Absence section and will be subject to the termination of benefits as described in that section.

Associates may request payment of sick and/or vacation time for the difference between the Worker's Compensation lost time and the Associates' regular wages. Such request must be made via the Time-Off Request Form, and remitted to the Leave of Absence Department as described on the form.

Long-term Disability benefits are reduced by the amount of benefits the Associate is eligible to receive under Workers' Compensation. STD benefits are not available in the event of work-related injuries or illnesses.

Reporting Procedures

All Workers' Compensation claims must be reported to the Risk Management Department within 24 hours of injury or illness or notification of an injury or illness. The required forms must be completed and returned to the Risk Management Department. Please refer to the [Insurance Risk Management Manual](#) or contact the Risk Management Department.

Return to Work

If an Associate has been off work due to an injury or illness and receives a release to return to work, the Associate must provide the Risk Management Department with authorization from the treating physician prior to their return. If the physician has released the Associate to return to work with restrictions that do not permit the ability to perform his or her normal job functions, the Company may provide the Associate with a temporary and/or modified position until the Associate is released to return to work without restrictions.

4.8 FAMILY AND MEDICAL LEAVE ACT (FMLA)



The Company complies fully with the law as set forth in the Family and Medical Leave Act of 1993 (the "Act" or "FMLA"). The following family medical leave policy highlights some of the key provisions of the Act. To the extent that the following policy conflicts with the Act or does not address all of the Company's or the Associate's rights under the Act, the terms of the Act will control.

Associates are eligible for family medical leave if they have worked for the Company for at least twelve (12) months (the twelve months need not be consecutive) AND have worked at least 1,250 hours during the twelve (12) month period immediately preceding the date when the leave would begin.

Eligible Associates may take up to twelve (12) workweeks of unpaid leave during a "rolling" twelve (12) month period for the following reasons (unless state and local laws require the use of a different period) measured forward from the date on which the Associate first takes FMLA leave:

- For incapacity due to pregnancy, prenatal medical care or childbirth (leave entitlement expires 12 months from the date of the birth of the child);
- The placement of a child with the Associate for adoption or foster care or to care for a newly-placed child (leave entitlement expires 12 months from the date of the placement of the child);
- To care for the Associate's spouse, child, parent, or others as required by applicable law, who has a serious health condition;
- A serious health condition, which renders the Associate unable to perform the functions of the Associate's position, including a work-related injury; or
- A qualifying exigency resulting from a spouse, son, daughter, or parent of the Associate who is either a member of the reserve components or a retired member of the Regular Armed Forces or Reserve being on covered active duty or having been notified of an impending call or order to active duty in the Armed Forces in support of a contingency operation.

A "child" means a biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis, who is (a) under 18 years of age; or (b) 18 years of age or older and incapable of self-care because of a mental or physical disability.

A "son" or "daughter" is a biological, adopted, or foster child, stepchild, legal ward, a child of a person standing in loco parentis, who is of any age, even if the Associate has no biological relationship with the child. The Company may require the Associate to provide reasonable documentation or a statement of family relationship.

A "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves either: (1) in-patient care (i.e., an overnight stay) in a hospital, hospice, or residential medical care facility, including any period of incapacity (for purposes of this policy defined to mean the inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment therefore, or recovery there from), or any subsequent treatment in connection with in-patient care; or (2) continuing treatment by a health care provider, which may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Voluntary and cosmetic treatments are not included. Other conditions may meet the definition of continuing treatment.

A "qualifying exigency" means:

1. Short-notice deployment.
2. Military events and related activities.
3. Childcare and school activities.
4. Financial and legal arrangements.
5. Counseling.

6. Rest and recuperation.
7. Post-deployment activities.
8. Parental care.
9. Other additional activities.

A "contingency operation" means a military operation 1) designated by the Secretary of Defense to include military operations, actions or hostilities against an opposing military force or enemy of the United States; 2) during a war; or 3) during a national emergency declared by the President or Congress.

Additionally, an eligible Associate may take up to twenty-six (26) work weeks of unpaid leave during a single twelve (12) month period to care for a Servicemember who is his or her spouse, son, daughter, parent or next of kin ("Servicemember Leave"). The single 12-month period during which an eligible Associate may use Servicemember Leave begins on the first day Servicemember Leave is first used and continues for the following 12 months. An Associate's Servicemember Leave and any other leave taken under the FMLA may not exceed a total of twenty-six (26) workweeks of leave during the single twelve (12) month period the Associate uses the available Servicemember Leave.

A "Servicemember" means a member of the Armed Forces, including a member of the National Guard or Reserves, who is 1) undergoing medical treatment, recuperation, or therapy for a serious injury or illness; 2) in outpatient status for a serious injury or illness; or 3) on the temporary disability retired list for a serious injury or illness. A serious injury or illness means an injury or illness incurred by the member in the line of covered active duty in the Armed Forces, or that existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty, that may render the member medically unfit to perform the duties of his/her office, grade, rank or rating for which the Servicemember is undergoing medical treatment, recuperation, or therapy, or is in outpatient status; or is on the temporary disability retired list.

An eligible Associate also may use Servicemember Leave to care for a covered veteran of the Armed Forces who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness. A covered veteran must have been discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date an eligible Associate takes Servicemember Leave to care for the veteran. A serious injury or illness for a covered veteran means an injury or illness that was incurred or aggravated by the member in the line of duty on active duty in the Armed Forces and manifested itself before or after the member became a veteran, and is: (1) A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the Servicemember unable to perform the duties of the Servicemember's office, grade, rank, or rating; (2) A physical or mental condition for which the covered veteran has received a VA Service Related Disability Rating (VASRD) of 50 percent or greater and such VASRD rating is based, in whole or in part, on the condition precipitating the need for caregiver leave; (3) A physical or mental condition that substantially impairs the veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service or would do so absent treatment; or (4) An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

"Next of kin" means the nearest blood relative of the individual, other than his or her spouse, parent, son, or daughter.

If both spouses are employed by the Company, their combined leave shall not exceed twelve (12) weeks in a twelve (12) month period if the leave is taken:

- For the birth of a newborn child of the Associate or for the placement of a child with the Associate for adoption or foster care or to care for the newborn or newly-placed child (leave entitlement expires 12 months from the date of the birth or placement of the child); or
- To care for a parent who has a serious health condition.

Further, if both spouses are employed by the Company, their combined leave shall not exceed twenty-six (26) weeks in a single twelve (12) month period if the leave includes, in whole or in part, Servicemember Leave.

Expectant mothers may take intermittent leave for prenatal care. In the case of leave for the birth or placement of a child or care of a newborn or child newly placed with the Associate for adoption or foster care, intermittent leave or working a reduced number of hours is at the sole discretion of the Company.

In the case of 1) leave for a serious health condition of the Associate, spouse, child or parent; or 2) Servicemember Leave, the leave may be taken intermittently or on a reduced-hours basis only if such leave is medically necessary (as determined by the health care provider of the person with the serious health condition) or if the Associate and the Company agree. Leave for a qualifying exigency based on active duty or a call to active duty status may be taken intermittently or on a reduced leave schedule.

Associates must provide sufficient information for the Company to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the Associate is unable to perform job functions; the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Associates must also inform the Company if the requested leave is for a reason for which FMLA leave was previously taken or certified. Associates may also be required to provide a certification and periodic recertification supporting the need for leave. Certain serious health conditions, whether those of an Associate or of an Associate's family member may require certification from the health care provider of the Associate or the Associate's family member within 15 days from the date on which the Company requests it, unless it is not practicable under the particular circumstances to do so despite the Associate's good faith efforts. Servicemember Leave may require certification from the health care provider of the Servicemember within 15 days from the date on which the Company requests it, unless it is not practicable under the particular circumstances to do so despite the Associate's good faith efforts. Additionally, leave taken for a qualifying exigency based on active duty may require certification of the Associate's spouse, son, daughter, or parent being on active duty or having been notified of an impending call or order to active duty. When an eligible Associate makes a request for FMLA Leave, the Corporate Benefits Department will provide a written notice of Rights and Responsibilities, which will advise the Associate of the need, if any, to provide a certification. Except where prohibited by applicable state law, the Company reserves the right to require re-certification for serious health conditions for Servicemembers every thirty (30) days.

In the event an Associate requests either intermittent leave or reduced work hours and the request is granted for a serious health condition or for Servicemember Leave, the Company may elect to transfer the Associate temporarily to a position which better accommodates recurring periods of leave providing the position is of equal pay and benefits.

If the serious health condition for which the Associate was granted leave concerns the Associate's own condition and the Associate's FMLA Leave lasted for more than five (5) work days, a release for duty signed by the Associate's health care provider must be presented by the Associate prior to being restored to employment. A failure to do so may result in the Associate not being permitted to return to work. Absences of more than five (5) work days will apply toward FMLA pending receipt of medical certification.

For Associates returning from leave for their own personal serious health conditions who are temporarily restricted as to the duties they can perform, the Company may consider temporarily altering the Associate's job duties to accommodate the Associate's temporary restrictions. If a health care provider treating the Associate on workers' compensation or other medical absences covered by FMLA certifies that the Associate is able to return to work with restrictions, and the Company is able to accommodate those restrictions, the Associate may decline the job offer. Under those circumstances, the Associate may lose the workers' compensation payments, but may remain on unpaid FMLA leave until the 12 weeks are exhausted subject to the Company's approval.

During a leave of absence under the Act, the Company will continue to pay its portion of the health and welfare benefit premiums as described in the Company Benefits Programs and maintain the Associate's coverage under the plans in the same manner as if the Associate had been continuously employed during the entire leave period, provided the Associate continues to pay his or her share of the premiums. If the Associate fails to continue to pay his or her share of the premiums, notices of proposed insurance cancellation and the opportunity to pay the premium as required by the Act will be provided by the Corporate Benefits Department.

If the Associate does not return to work after expiration of the leave, the Associate will be required to reimburse the Company for the portion of the premiums which it provided during the leave, unless the Associate does not return because of the continued presence of a serious health condition or the continued need to care for a Servicemember which prevents the Associate from performing his or her job or other circumstances beyond the Associate's control.

The FMLA does not require accrual of employment benefits, such as vacation pay, sick days, seniority, etc. Therefore, sick pay, vacation pay and personal days off do not continue to accrue during any portion of the leave that does not run concurrently with the use of banked sick time, salaried sick time, paid personal days off, or paid vacation. During FMLA leave, accrual of benefits and seniority shall be on the same basis as for any other unpaid leave of absence. Employment benefits to which an Associate accrued or may be eligible when the leave of absence begins will not be lost because of such leave, except for those paid leave days substituted for leave taken under this policy as described below. Upon return from FMLA leave, Associates are eligible for any changes in benefit plans not dependent upon seniority or accrual during the leave period. Associates will not be disqualified from bonuses based on attendance for which they qualified prior to leave because of the taking of FMLA leave.

Except where prohibited by applicable state law, Associates are required to substitute their accrued or earned vacation time and personal days for unpaid leave status for otherwise unpaid leave taken under this Act. Associates who take leave for 1) their own serious health conditions or the serious health conditions of their child, or 2) Servicemember Leave, must also utilize all paid sick leave in lieu of unpaid leave status. Any sick leave in lieu of unpaid status will run concurrently with FMLA Leave. Exempt Associates on intermittent FMLA Leave may take paid leave in hourly increments and are required to report hours worked.

Unpaid leave status taken under the FMLA shall be defined as any period of the FMLA leave in which the Associate is not receiving pay from any source. Associates on FMLA leave and receiving pay from a source other than the Company, may elect to not use accrued time from the Company. It is the Associate's responsibility to provide the Company with appropriate documentation satisfactory to the Company to prove outside income. If the Associate does not provide proof of outside income, it will be assumed there is no outside income and all accrued time will be paid as applicable for the type of leave. If the Associate does provide appropriate proof, the Company will still allow the Associate to request payment of accrued time to coordinate for the difference between their outside income payment and regular wages. If the Associate chooses to coordinate their time, a request must be submitted in writing to the Payroll Department.

Leave covered by workers' compensation will run concurrently with FMLA leave when the reason for the leave is covered by the Act. The Company will allow the coordination of paid leave (vacation, sick, personal) at the same time at the Associate's discretion. The combined benefits (workers' compensation plus paid leave benefits) cannot exceed normal base weekly income.

Associates who return to work from an approved FMLA leave within the time frame allowed by the regulations will be returned to their job or an equivalent position with equivalent benefits, pay, and other terms and conditions of employment as required by, and in accordance with, applicable law.

Applications for leave under this policy for more than five (5) work days must be submitted in writing to the Leave of Absence Department in order to initiate leave and to return to active status. If the need for the leave is foreseeable based on an expected birth, placement of a child, Servicemember Leave, or planned medical treatment for a serious health condition of the Associate or a family member, applications should be submitted at least 30 days before the leave is to commence. If 30 days' notice is not practical, such as because of a lack of knowledge, a change in circumstances, or a medical emergency, notice must be given as soon as possible. If leave taken for a qualifying exigency based on active duty is foreseeable, whether because of a notice to be called to active duty or because the spouse, son, daughter, or parent is on active duty, the Associate must provide notice as soon as possible. In any event, all Division Presidents, Branch Managers and Supervisors have an obligation to notify the Leave of Absence Department or the appropriate Regional Human Resources Department as soon as they have a reason to believe that an Associate is absent from work for a reason covered under the FMLA, notwithstanding the fact that such Associate has not submitted an application for leave.

To the extent allowed by law, in the event an absence is for a reason covered by the Act, the Company reserves the right to count it as leave under the Act, whether the Associate has applied for it or not. When this occurs, the Associate will be promptly notified as required by law.

If an Associate fails to provide information which the Company is allowed by law to require, the Associate may have their leave delayed and be subject to discipline up to and including termination of employment, as permitted by law.

When an Associate gives unequivocal notice of his or her intent not to return to work, he or she must contact the Leave of Absence Department or Regional Human Resources Departments. In the event an Associate does not return to work after a leave of absence, and as permitted by applicable law, the employment relationship will be terminated and the Associate's entitlement to continued leave, maintenance of health benefits, and return to employment will cease. All unpaid contributions due from the Associate will become due and payable, and an invoice will be sent for immediate payment.

4.9 PREGNANCY RELATED DISABILITIES AND ACCOMMODATIONS



Pregnancy related disabilities are treated as any other disability. For more information regarding our disability policies and/or absences due to illness or injury, see the Leaves of Absence section.

For more information regarding family and medical leaves of absence, see the Family and Medical Leave Act section.

4.10 COORDINATION OF PAID TIME OFF WITH LEAVE TIME

Certain leaves will require the use of paid time off during the period of absence. It is necessary to review each type of leave individually to determine what paid time off will be required to be used during the absence.

Unless otherwise described in a particular leave of absence policy, the sequence in which paid time off will be applied by payroll is as follows:

- Banked Sick
- Regular Sick
- Salaried Sick/20-work day sick
- Personal days
- Vacation

Except where prohibited by law, banked sick and regular sick for hourly Associates will be applied toward any hours not worked due to the illness or injury of the Associate or the Associate's child, son, or daughter and will be deducted from the available time based on hours. For salaried Associates, banked sick and 20-work day sick will be taken in full day increments, except that salaried Associates on intermittent leave may take paid sick leave in hourly increments if leave is designated as FMLA.

4.11 ABSENTEEISM AND TARDINESS

Each Associate is required to advise his or her supervisor (or in the supervisor's absence, a designee) of an impending absence or tardiness no later than 9:30 a.m. on the morning in question. At such time, the Associate will be expected to give a reason for and approximate duration of the absenteeism or tardiness. Absent unusual circumstances, voice-mail messages, text messages, and emails are not considered proper notification.

Associates who are absent from work for more than three (3) consecutive days without notifying and/or receiving prior approval from their supervisor, and Associates who fail to return to work at the conclusion of an authorized leave of absence will be considered to have voluntarily resigned at their own election as permitted by applicable law.

SECTION 5 – OTHER POLICIES & GUIDELINES

5.1 CODE OF BUSINESS ETHICS AND CONDUCT

Since its founding, the Company has required that all its Associates maintain the highest level of integrity in their dealings on behalf of the Company and its subsidiaries, in their dealings with the Company, and in everything affecting the Company's relationships with its customers, banks, trade partners, security holders and others with whom the Company does business. The Company believes the high level of integrity with which it conducts its affairs has been a major factor in the Company's success.

The Code of Business Ethics and Conduct (the "Code") is intended to document the principles of conduct and ethics to be followed by the Company's Associates, officers, and directors, including its principal executive officer, its principal financial officer and its principal accounting officer, and is to be followed in both letter and spirit. Its purpose is to:

- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Promote avoidance of conflicts of interest, including disclosure to an appropriate person or committee of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- Promote full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or furnishes to, the Securities and Exchange Commission and in other public communications made by the Company;
- Promote compliance with applicable governmental laws, rules and regulations;
- Promote the prompt reporting to an appropriate person or committee of violations of the Code and provide mechanisms to do so;
- Promote accountability for adherence to the Code;
- Provide guidance to Associates, officers, and directors to help them recognize and deal with ethical issues; and
- Help foster the Company's longstanding culture of honesty and accountability.

[The Code is available on the Lennar Portal.](#)

The Company expects all its Associates, officers, and directors to comply at all times with the principles in the Code. Violations of the Code by an Associate, officer or director are grounds for disciplinary action, up to and including immediate termination of employment and forfeiture of any earned or unearned bonus and possible legal prosecution. For questions, please send an email to the Conflicts Committee at codeofconduct@lennar.com or see the reporting requirements and contacts in the Code of Business Ethics and Conduct.

5.2 CONFIDENTIALITY OF INFORMATION AND MEDIA REQUESTS

Confidentiality of Information

Associates in many positions within the Company, by virtue of their employment, may have access to confidential and/or proprietary information relating to the Company's business. The Company's confidential and/or proprietary information is the property of the Company and is not to be used for any purpose other than for Associates' job duties for the Company or when maintaining confidentiality is prohibited by applicable law, such as legally protected communications regarding employees' terms and

conditions of employment. Confidential information includes, but is not limited to: product information, pricing information, financial information, customer information, vendor/supplier information, business/marketing plans and strategies, legal plans and strategies, tax and accounting methods and strategies, pending projects and proposals, research, future product plans and designs, Company intellectual property, and private third-party information (social security numbers, account numbers, loan numbers, and other typically private data). All files, records, reports, correspondence, customer lists and other documents and data related to the operations of the Company are confidential property. Because it is often not clear what information is free to be shared with others, or it is uncertain as to where to refer a party seeking information, Associates shall not reveal potentially confidential information to unauthorized persons under any circumstances, including after the termination of employment except as required or permitted by applicable law. Such requests should be directed to the Investor Relations Department or the Legal Department in the Miami Corporate Office.

All documents and records that Associates receive or generate in the course of their work are Company property. Similarly, all intellectual property rights pertaining to ideas or work product that Associates create during their employment will remain the exclusive property of the Company.

Associates must maintain the confidentiality of all confidential information entrusted to them by the Company or its customers, except when disclosure is authorized by the Company or legally mandated. Associates must comply with all confidentiality policies adopted by the Company from time to time and with confidentiality provisions in agreements to which Associates or the Company are parties. Associates should not discuss internal Company matters or developments with anyone outside the Company, except as required in the performance of their regular work duties. This includes exercising caution when discussing Associates' work with family, friends and colleagues. Associates who are unsure whether they are authorized to share particular Company information should consult their manager and/or the Legal Department.

Sensitive Company documents should be secured appropriately, not left lying on desks or otherwise out in the open. Visitors should not be left unattended in offices containing confidential Company documents. Similarly, Associates should never give out Company computer/network passwords, or otherwise assist others in circumventing the Company's protections for our electronic information. Company documents/files cannot be removed from Company premises without approval by the Associate's manager. Associates who are authorized to remove such Company property from our premises must exercise caution and follow proper procedures for protection of the non-public information contained in the files.

In addition to the quality and value that our customers expect from the Company, they also expect that we will handle their personal information with integrity and care. We adhere to high standards of protection for personally identifiable confidential information obtained from or about a customer, and we take seriously our obligation to secure such customer information and keep it confidential. Associates must take great care in handling all customer information, complying with applicable law and protecting against fraud and other illegal activity concerning the personally identifiable confidential information of the Company's customers.

Associates must comply with the [Company's Data Classification and Handling Policy](#).

Associates are prohibited from directly or indirectly contacting or communicating with customers of the Company unless specifically allowed by Associate's job duties and only during Associate's active employment with the Company.

This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of

employment or initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority.

Prior to beginning work with the Company, Associates must disclose and provide to the Company any agreements which the Associate had with a former employer or other party which would prevent the Associate from entering into employment with the Company or carrying out any of Associate's job duties with the Company, even if Associate believes the agreement may be inapplicable or unenforceable. This includes but is not limited to all non-compete and/or non-solicitation agreements, as well as any agreements or obligations related to the use of confidential, proprietary or trade secret information. By accepting employment with the Company, an Associate affirms and represents to the Company that the Associate has not violated any such agreement, is not currently violating any such agreement and will not do so in the future. Additionally, Associates shall not use for the Company's benefit nor disclose to the Company any confidential, proprietary or trade secret information belonging to others unless you have advised the Company in advance of the beginning of Associate's employment with the Company that the information is from and/or belongs to a third party, and both the Company (by a written authorization from a Company Regional President or equivalent) and the third party (by a written authorization from a person with actual authority to provide it) consent to the use of each specific piece of information.

Associates may disclose Trade Secrets in confidence, either directly or indirectly, to a Federal, State, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, Associates who file retaliation lawsuits for reporting a suspected violation of law may disclose related Trade Secrets to their attorney and use them in related court proceedings, as long as the individual files documents containing the Trade secret under seal and does not otherwise disclose the Trade Secret except pursuant to a court order.

Media Requests

Members of the media requesting information concerning any Company matter, including but not limited to Company practices, Company Associates, the status of pending or possible litigation involving the Company, or any other matter related to the Company should be referred to the Investor Relations Department or to the General Counsel in the Miami Corporate Office.

5.3 WORKPLACE SAFETY AND HEALTH

The Company has adopted an Injury and Illness Prevention Program (the "Safety Program"), which is administered by the Safety Program Administrator (Risk Manager). [Additional resources are available on the Lennar Portal.](#)

The responsibility for safety extends to every individual working for the Company. The Company has established a comprehensive program to maintain the safety and health of its Associates and requires every Associate to immediately report any unsafe condition, accident (no matter how minor), and near miss, so that the Company takes corrective action as soon as possible.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

The Company requires that all equipment and machinery be in proper working order and safe to work with at all times. If any equipment or machinery breaks down, do not use it until a qualified technician certifies that it is repaired and safe.

Never try to fix broken equipment or machinery. Associates should tell their supervisor about any equipment breakdown as soon as it happens. If the breakdown requires emergency repairs, the supervisor will try to deal with the emergency situation as soon as possible.

In addition to safety rules and directions distributed and/or discussed by the Company, Associates must observe the following non-exhaustive safety rules at all times:

1. Alcoholic beverages are not to be consumed during working hours or after hours on any Company property, any worksite, or while conducting Company business. Alcohol consumption at business lunches or meetings is prohibited, except with express approval of regional management or corporate department head. Further, if prescription medication impairs Associates' ability to safely or effectively perform their job duties, they may be required to take an unpaid leave of absence from work.
2. Report all accidents to a supervisor or to the Corporate Risk Management Department immediately.
3. Advise a supervisor of any hazardous conditions.
4. All non-emergency treatment for accidents must be authorized in advance by a supervisor.
5. Wear seat belts in Company vehicles at all times - and while driving or riding as a passenger in a personal, leased or rented vehicle while on Company business.
6. Do not remove or bypass any guards on any machinery at any time.
7. Lift with legs, not your back. Do not hesitate to get assistance when needed.
8. Wear the proper construction work attire.
9. Open toe shoes are not allowed on construction sites at any time.
10. Wear all required construction safety equipment.
11. Hard hats must be worn on construction sites at all times.
12. Wear approved back brace belts, when required.
13. Keep all work sites clean and free of hazardous debris.
14. If Associates need additional equipment or instructions to get the job done safely, they should ask their supervisor.
15. Follow all other written or verbal safety rules.
16. Observe all local, state and federal safety laws at all times - including all pertinent OSHA standards.

This non-exhaustive list of safety rules is not intended to cover all circumstances. Additional safety rules may apply in different circumstances.

Violence Prevention

The Company is proud of its record in preventing workplace violence and maintaining a safe work environment. However, given the increasing violence in society in general, the Company has adopted the following policies to deal with any violence and to ensure the safety of its Associates:

1. Associates must report all threats of violence, both direct and indirect, as soon as possible to their supervisor, or, if he or she cannot be reached, any other supervisor. Be as specific as possible. Reports can be made anonymously (such as to the Ethics Hotline) or as otherwise provided in this Associate Reference Guide. If an Associate or someone else is in immediate danger, call 911 before reporting the issue internally.
 2. Associates must report all suspicious individuals or activities to their supervisor or to any other supervisor as soon as possible.
 3. Adhere to the Company's policies and guidelines on crisis response.
- Do not put oneself in peril.
 - Associates who hear a violent commotion near their workstation should not try to see what is happening. Call 911 immediately and hide.
 - Cooperate fully with security, law enforcement and medical personnel that respond to a call for help.
 - Let the Company respond to all inquiries from the media about violence on its premises so that the Company can speak with one voice.

The Company does not tolerate any type of violence committed by or against Associates. Associates are prohibited from making threats or engaging in violent activities. Any potentially dangerous situations must be immediately reported to a manager and/or the Human Resources Department. Reports can be made anonymously to the Ethics Hotline and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately. Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

Threats, threatening conduct, bullying, or any other acts of aggression or violence in the workplace will not be tolerated. Any Associate determined to have committed such acts will be subject to disciplinary action, up to and including termination of employment. Incidents involving individuals engaged in violent acts on Company premises may also be reported to the proper law enforcement authorities.

Physical Security

It is the responsibility of all Associates and contractors to be aware of the physical security requirements of the facility or facilities where they work. All entry points to secure areas will be controlled by appropriate physical access controls. These methods include, but are not limited to, locked doors, secured cage areas, vaults, ID cards, and biometrics.

Access to secure areas must be restricted to authorized personnel. Perimeters of a secure area building must be physically sound (i.e. there should be no gaps in the perimeter or areas where a break-in could easily occur), solidly constructed, and doors and windows must be secured. A manned reception area or other means to control physical access to the site or building must be in place - access to sites and buildings must be restricted to authorized personnel only

Visitor access permissions will be controlled and monitored. It is the Associate responsibility to ensure visitors comply with visitor access policies.

External parties or vendor support personnel access must be restricted in secure areas or where confidential information processing facilities only when required. This access must be authorized by management and monitored for appropriateness.

Crisis Response

A crisis requiring immediate action can appear in many forms, such as natural disasters, fires, violence, or threatened violence in the workplace, health emergencies, civil or political unrest, or other events or occurrences that happen unexpectedly and/or that demand immediate action. When a crisis occurs, please follow the following steps:

1) Be Safe, Stay Calm and Avoid Immediate Harm

Take reasonable and appropriate steps to get away from a crisis situation. For example, Associates should evacuate the area in the event of a fire, protect themselves from harm if they become aware of workplace violence, etc. Associates should not put themselves in harm's way or in greater danger. Stay calm. Don't panic. Think clearly. And act appropriately.

2) Alert Authorities as Appropriate

After taking appropriate steps to assure their personal safety, Associates must alert the appropriate authorities immediately. This could include calling 911, activating the fire alarm, calling the police, contacting building security, and/or contacting other emergency response personnel as appropriate under the circumstances. Don't wait for someone else to do it. Don't hesitate and/or worry about getting in trouble. Make the appropriate contacts as soon as possible.

3) Alert Management, Human Resources, and Legal

After taking the appropriate actions to protect oneself and alert the authorities, immediately contact any other manager that can be reached quickly, Human Resources, and the Legal Department. Keep reaching out until actually speaking to or communicating with someone. Simply leaving a voicemail (or sending an email) is not enough. Try work and cell numbers until you are actually able to communicate with someone. When reaching someone, take a deep breath, stay calm and explain the situation as clearly and simply as possible. Communicate effectively—giving the basics such as who, what, where, when, and how. Stay connected until they end the call or communication. Do not hang up or stop communicating prematurely.

4) Cooperate with Authorities and Company Personnel

Cooperate fully with emergency response and medical personnel, law enforcement and other authorities. Associates may be asked to stay in the area to provide information, make further contact with Company management, or take other action to assist. Do what they ask as much as reasonably possible. Associates may also be asked by Company Management, HR or Legal to play a role during a crisis. But do not go beyond these requests. Once doing what has been asked, stay out of the way, and let the authorities and Company Management take appropriate action. Stay clear of the scene so that the experts can do what needs to be done. If approached or contacted by the media—DO NOT DISCUSS the situation with them, contact the Investor Relations Department or the General Counsel.

5) Act in Accordance with the Associate Reference Guide and Use Common Sense

In the event of a crisis, the Company may temporarily close one or more of its workplaces. These decisions will be made by the Company, in its sole discretion. If there is such a closure, affected Associates will be notified as soon as practicable through an appropriate method, including email or an announcement on the HR Cares Help Line at 1 (800) 353-8100, option 4. Associates will be paid in accordance with the Company's pay and leave policies (as set forth in this Associate Reference Guide) and in accordance with applicable law. If the emergency situation involves workplace safety and health issues, or issues of workplace violence, please also refer to the Company's policy on workplace safety and health (in this Associate Reference Guide) including the section on violence prevention. Any on the job injuries will be handled in accordance with applicable workers compensation laws and policies. Any questions should be directed to the Legal Department.

See the following in the Contingency Planning Section of The Risk Management Manual:

- [Bomb Threats](#)
- [Earthquake Guidelines](#)
- [Emergency Action Plan](#)
- [Fire Extinguisher Overview](#)
- [Fire Prevention Plan](#)
- [Hurricane Guidelines](#)
- [Procedures for Establishing a Fire Prevention Plan](#)
- [Procedures for Establishing an Emergency Action Plan \(EAP\)](#)

5.4 INFORMATION SYSTEMS CONDITIONS OF USE AND POLICY ON COMPUTING ETHICS

The following section outlines security requirements which Associates must follow when accessing Company systems and data.

Security Policies

Associates are required to read and acknowledge they have understood the Enterprise Security Office's security policies, including, but not limited to, the following:

- [Data Classification and Handling Policy](#)
- [Access Control Policy](#)
- [Security Incident Response Policy](#)
- [Physical and Environmental Security Policy](#)
- [Mobile Security Policy](#)

Security Awareness

Security awareness is every Associate's responsibility. Certain employees with privileged access to systems and data may be required to complete advanced security awareness training annually.

Conditions of Use

As part of the Company's effort to provide unparalleled quality to our customers and to support an atmosphere of creativity and teamwork among Associates, the Company provides various computing

facilities, including computer systems, personal computers, laptops, smartphones, wireless devices, computer networks, and various forms of software, firmware, operating software, and application software. These facilities are owned or leased by the Company or are under the Company's control. The use of these facilities, including but not limited to email, is limited to Company-authorized purposes consistent with this policy. Associates do not have any right or expectation of privacy when using Company computer facilities.

Associates' use of the Company's computing facilities in connection with Company activities and *de minimis* personal use is a privilege extended to Associates. Associates agree to refrain from engaging in any activity that is unlawful, inconsistent with the Company's business activity, or that would subject the Company to liability. The Company reserves the right to amend this policy at any time and to take such further actions as may be necessary or appropriate to comply with applicable federal, state, and local laws. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment or initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority.

To protect the integrity of the its computing facilities and to guard against unauthorized or improper use of those facilities, the Company reserves the right to access and review any data or communications sent, received or stored via the Company's networks and/or computing facilities, as well as to monitor Associates' Internet usage (including the amounts of time spent online and the sites accessed). The Company further reserves the right, without notice, to limit or restrict any individual's use, and to inspect, copy, remove or otherwise alter any data, file, or system resource which may undermine the authorized use of any computing facility or which is used in violation of Company rules or policies. The Company also reserves any other rights necessary to protect its computing facilities, and disclaims any responsibility for loss of data or interference with files resulting from its efforts to maintain the privacy and security of its computing facilities or from system malfunction or any other cause.

Policy on Computing Ethics

The Company's computing facilities must be used responsibly by everyone, since misuse by even a few individuals has the potential to disrupt Company business or the work of its thousands of users. Anything beyond *de minimis* personal use of the Company's computer and email systems is prohibited. Associates are therefore required to exercise responsible, ethical behavior when using the Company's computing facilities. This includes, but is not limited to, the following:

1. Associates must use only those computer resources which they have been authorized to use by the Company. The unauthorized use of computer resources, as well as the providing of false or misleading information for the purpose of obtaining access of computing facilities, is prohibited and may be unlawful.
2. Associates are responsible for all use of their computer accounts, and may not authorize anyone to use those accounts for any reason. Associates must take all reasonable precautions to prevent unauthorized use of their account. Associates must not, for example, share their password with anyone else, and should change passwords regularly and maintain their secrecy.
3. When authorized to use the Company's computer resources, Associates must use those resources only for authorized purposes. As with all Company equipment, use of the computer facilities, including the Company's proprietary and non-proprietary networks, for private or commercial purposes is prohibited, except as expressly authorized. Associates must not use the Company's computer resources for any unlawful purpose, such as the installation or distribution of fraudulently or illegally obtained software, or to gain unauthorized access to computing facilities of other institutions, organizations, or individuals. This provision is not to be interpreted

in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment.

4. Associates must not access, alter, copy, move or remove information, proprietary software or other files (including programs, members of subroutine libraries, data, and email) without prior authorization. This includes use of personal storage devices as well as use of third party file or data hosting services such as Dropbox and other "cloud" storage services. Associates must not copy, distribute, display, or disclose third-party proprietary software without prior authorization from the licensor. Proprietary software must not be installed on systems not properly licensed for its use.
5. Associates must not misuse system resources or use any computing facility in a way that might needlessly interfere with the work of others. This includes transmitting or making accessible offensive, annoying, or harassing material such as pornography, unauthorized mass mailings, or unsolicited advertising. Associates also must not intentionally, recklessly, or negligently damage any system, material, or information not belonging to them, intentionally intercept electronic communications, or otherwise violate the privacy of others. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment.
6. Associates are encouraged to report any violation of these guidelines by another individual and any information relating to a flaw in or bypass of computing facility security to Corporate Information Systems or the Office of Internal Audit. Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.
7. Associates must not use the Company's computer resources to access pornography.
8. All web pages where divisions or Associates represent themselves as agents of the Company; describe or depict Company products, communities, floor plans, financing, pricing information, addresses and phone numbers; or link to the Company's web page, must adhere to the Company guidelines and are the property of the Company.

The unauthorized or improper use of the Company's computer facilities, including the failure to comply with the above guidelines, constitutes a violation of Company policy and will subject the violator to disciplinary action, up to and including termination of employment, and/or legal action by the Company. In addition, the Company may require restitution for any use of service which is in violation of these guidelines. Any questions about this policy or of the applicability of this policy to a particular situation should be referred to Corporate Information Systems or the Office of Internal Audit.

Password and Account Security Requirements

Each system and application requires automated access controls, including the following:

- Every Associate, to include the executive management team, must be assigned a unique account ID ("user name") and password
- Shared or group accounts are prohibited
- User accounts are required to conform to <first initial><last name> and/or email address. If this is not possible or if the system does not allow it, the system owner must define the user account naming convention in a standard approved by the Enterprise Security Office
- Require all passwords be at least 8 characters in length

- Require complex passwords consisting of numeric, alphabetic (upper and lower case) and special characters
- Associates can only change passwords once a day
- Associates passwords will expire every 90 days
- Default passwords must be changed immediately upon first logon
- Require that new passwords cannot be the same as the ten previously used passwords

Email Policy

Email is a written/physical record of communication. Associates should be judicious with the content of their emails, and should not send or forward emails that they are not willing to have viewed by others, including people outside the Company. Email correspondence utilizing Company email accounts and/or computing facilities should only be used for legitimate business purposes and *de minimis* personal use. Any use of email that violates the Company's anti-discrimination, harassment, or retaliation policies is prohibited, as is any use of email to distribute the Company's confidential or proprietary information without authorization. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment or initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority.

Email should be used when it is necessary to create a record of the communication, when telephone or in-person communication is impractical, or when necessary to deliver a message to multiple recipients. Email should not be used to deliver sensitive information, communicate complex messages, or when an immediate response is required. Emails, including replies, should be concise, with an informative subject line, proper spelling, grammar, and punctuation, and no unnecessary attachments. Associates are encouraged to proofread emails before sending, considering the tone, content, and recipients of the message.

Communications concerning the Company's legal affairs should not be copied or distributed to anyone other than a Company attorney without the approval of attorneys in the Legal Department, or by outside counsel retained by the Company to represent our interests. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment.

Additional guidance regarding proper use of Company email is available in the Lennar Portal, or by contacting Corporate Information Systems.

The following activities are prohibited by Associates when accessing or transmitting e-mail:

- Reading or accessing another Associate's e-mail without his/her knowledge or proper approval.
- Sending e-mail or other communications that either masks the user's identity or indicates that someone else sent the e-mail or communication.
- Configuring e-mail systems to automatically forward e-mails to an external destination without approval from both the Associate's manager and from the Enterprise Security Office.
- E-mailing or forwarding confidential or sensitive Company information unless communication is compliant with the [Data Classification and Handling Policy](#).
- Any form of harassment via e-mail.
- Unauthorized use, or forging, of e-mail header information.
- Creating or forwarding "chain letters", "Ponzi" or other "pyramid" schemes of any type.

Incident Response

All Associates are responsible for remaining vigilant in detecting and reporting security incidents to the Enterprise Security Office. Associates with specific incident reporting and handling responsibilities may be required to complete additional job training.

5.5 PROFESSIONAL BUSINESS ATTIRE

Our appearance and behavior is an extension of our corporate reputation and the professional image we present to the business community. We must always be extremely sensitive to the needs and expectations of our customers and our business Associates.

Rather than impose rigid workplace "dress code" rules, we believe we can trust our Associates to make smart decisions regarding appearance and behavior. However, we **do** expect that every Associate will exercise good taste, sound judgment and moderation at all times. We know that no single "look" is appropriate for every person or situation. We simply ask that Associates **always look neat, sharp and professional**.

On "casual days", we relax our appearance from that of more traditional, formal business-wear to "*business casual*." To us, the term *business casual* means Associates may wear casual clothing suitable for the office or entertaining customers or guests. For example, business suits or dresses may be substituted with cotton slacks and a sweater or a long- or short-sleeved shirt with a collar. Dress shoes may be replaced with deck shoes. *Business casual* means clothing that makes Associates feel comfortable at work while still holding true to our standard of **always looking neat, sharp and professional**.

Whether a casual or regular business day, certain guidelines apply:

- Tennis shoes, T-shirts, sleeveless shirts, athletic/recreational-wear, and shorts are examples of articles of clothing which **do not** meet our professional standards and expectations.
- When in doubt, choose more conservative business-wear. Will we be meeting with a customer? Are we expecting guests to visit the office? Remember to represent the Company appropriately by being sensitive to the needs of our customers and Associates.

We trust that Associates will appreciate the importance of adhering to this policy and will exercise common sense and good taste at all times. We are **all** accountable for policing and maintaining our professional image. Any violation of this policy may lead to discipline up to and including termination. Call the Regional or Corporate Human Resources Department with any questions.

5.6 TOBACCO & NICOTINE

The Company is dedicated to providing Associates and visitors a safe and healthy work environment. As such, the use of tobacco, tobacco-like and nicotine products is strictly prohibited unless otherwise required by law:

- Within any and all buildings, entry ways and doorways. This includes rest rooms, meeting rooms, storage areas/garages, lunch rooms, private offices and work spaces.
- In or near all parking lots and adjacent sidewalks. This includes walking to and from a person's vehicle.
- In all company vehicles and shuttle buses whether or not that vehicle is on company property.

Tobacco includes all forms of tobacco products, including but not limited to cigarettes, electronic cigarettes (E-cigarettes), cigars, pipes, vaping, and smokeless/dissolvable tobacco products (i.e. chewing tobacco, snuff).

In addition, all tobacco and nicotine products and supplies including but not limited to cigarette/chewing tobacco packs/containers, pipes, spit, lighters, matches, USB/E-cigarette chargers and equipment, and vaping products are not permitted to be displayed or used in private offices and work spaces.

5.7 SUBSTANCE ABUSE



The Company strongly endorses a workplace free of drug and alcohol abuse. Although the Company respects Associates' right to conduct their personal lives as they wish, Associate conduct in the workplace affects co-workers, customers, and/or the public in general. Because we feel strongly that the use of drugs or alcohol may influence customer confidence, lower work productivity and quality, and heighten the possibility of accidents and injuries, the following policy has been established:

Alcoholic beverages are not to be consumed during working hours or after hours on any Company property, any worksite, or while conducting Company business. Illegal drugs or inhalants are not to be possessed, used or distributed during working hours or after hours on any Company property, any worksite, or while conducting Company business, at any time or under any circumstances. Alcohol consumption at business lunches or meetings is prohibited, except with express approval of regional management or corporate department head.

The Company reserves the right to perform a test for alcohol or drug usage during working hours, in compliance with applicable federal, state and local law. Testing will be performed in accordance with industry standards and may include urine testing, oral fluid testing, or hair testing. Refusal by Associates to submit to alcohol or drug testing may be grounds for immediate termination by the Company (unless otherwise prohibited by federal, state or local law). All test results will be kept confidential and only revealed within the Company on a "need to know" basis or if the Company is otherwise compelled by a court or other legal authority to reveal the results.

Examples of when Associates may be tested are:

- If an Associate has caused or contributed to any accident, including a motor vehicle accident while performing his/her duties for the Company.
- If an Associate suffers a job-related injury, other than a motor vehicle accident. A job-related injury is defined as being on duty whether on or off Company premises.
- If there is reasonable suspicion that an Associate is under the influence of alcohol or an illegal/unauthorized controlled substance in the workplace on Company property or while conducting Company business and that such influence may adversely affect the Associate's job performance or the health or safety of the Associate or others.

Subject to applicable federal, state and local laws, Associates who test positive for alcohol or drug use that violate this policy will be terminated. However, every Associate who tests positive shall have the right to obtain a written copy of the test results upon request and the opportunity to explain, in confidence, any positive test to the medical review officer, including disclosing the use of any prescription or non-prescription drugs that may have affected the result. All positive tests will be confirmed by a qualified laboratory. Associates may elect to undergo an additional test beyond the confirmation test, at the Associate's expense. Associates may reapply after 30 days of termination as a result of a violation of this policy. Re-employment will be based on past performance and favorable drug-test results.

Drug and alcohol addiction is a complex, yet treatable disease. We encourage those who use illegal drugs and abuse alcohol to seek help in overcoming their problem. Professional assistance is available to eligible Associates through our Associate Assistance Program.

5.8 HUMAN RESOURCES RECORDS ACCESS



Access to Associate Human Resources records is subject to applicable federal, state and local law. Contact the Regional Human Resources Department for more information.

5.9 EMPLOYMENT OF RELATIVES AND DOMESTIC PARTNERS



From time to time, relatives, spouses, or domestic partners of existing Associates may make application to the Company for employment and it is the applicant's responsibility to disclose this fact. The Company reserves the right to review this situation as it relates to relatives, spouses, or domestic partners working together in the same department or division, or one relative, spouse, or domestic partner supervising another. An Associate whose relative, spouse, or domestic partner is considering employment with any division of the Company should notify his or her manager to avoid any possible conflicts.

Approval from the Regional Human Resources Department is required before a position may be offered to an Associate's relative or domestic partner.

5.10 EMPLOYMENT OF MINORS

Employment of minors will be conducted in accordance with local, state, and federal laws. Advance approval by the Corporate Human Resources Department is required.

5.11 USE OF COMPANY RESOURCES AND PREMISES

Associates are not to use Company resources, facilities, or other property for personal benefit. This includes posting personal mail at the Company's expense, making long distance personal calls, taking Company equipment or supplies home, and utilizing office equipment such as photocopiers, facsimile machines, or computers for personal reasons. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment.

Personal phone calls received at work should be held to a minimum.

Friends, family, other persons associated with Company Associates and pets/animals are prohibited from any Company work premises except as authorized by Company policy, the approval of the Division President or equivalent, and/or as required by applicable law.

Gambling in any form, legal or illegal, is specifically prohibited. Fantasy sports and like activities are also prohibited on the Company's computer and electronic systems and/or during working time.

Electronic mail, voice mail, computers, Company-owned information on Associate-owned devices, networks, facsimile machines, any information stored on them, and the actual hardware are the property of the Company. Additionally, all messages or information composed, sent or received on any of these, including Company-owned information on Associate-owned devices, are, and shall remain, the property of the Company. They are not the private property of any Associates and Associates should have no expectation of privacy in them. Such messages and information may subject to discovery in litigation matters. Be advised that messages on the electronic mail system can be traced to the author even after they are "deleted". In accordance with applicable law, the Company reserves the right to monitor, audit, intercept, access, disclose and review all messages or information which are created, sent or received over these systems or machines for any purpose. The use of authorized passwords by Associates should not be construed as creating a private communication medium. Documented passwords are to be protected from easy access by others and should be disclosed as needed only to department management or their superiors.

Official Documentation

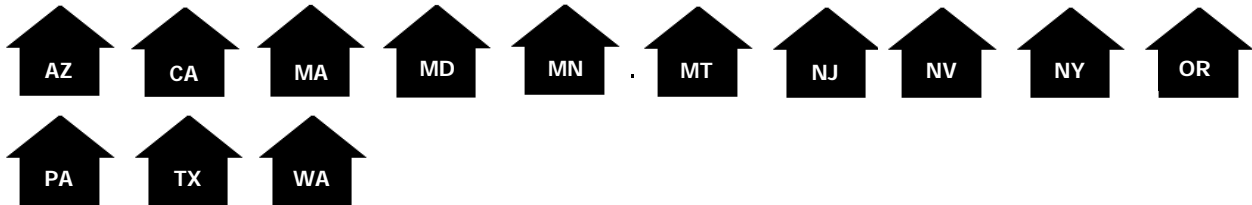
Associates must not use official Company stationary, the corporate brand or other official documentation or use the name "Lennar" or any of its affiliate companies' names for any personal or non-official purpose, since such use implies endorsement by the Company. This includes use of Company email accounts for personal reasons. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment or initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority.

5.12 ASSOCIATE PARKING



Associates should avoid leaving valuables in their cars and keep their vehicles locked at all times. The Company assumes no responsibility for damage to Associates' vehicles or theft of articles from their vehicles while on Company property.

5.13 POLYGRAPH TESTING



In accordance with the Associate Polygraph Protection Act, the Company does not require or request that an Associate or job applicant take a lie detector test, and will not discharge, discipline, or discriminate against an Associate or prospective Associate for refusing to submit to a test.

Note, however, that polygraph testing may be permissible if the Associate is reasonably suspected of involvement in a workplace incident, such as theft, fraud, or embezzlement.

Anyone contemplating use of a polygraph must first contact the Corporate Human Resources Department.

5.14 PROHIBITION OF FIREARMS AND WEAPONS

Firearms or assault weapons or any instrument used for personal assault are not permitted on Company property except as permitted by law. The term "firearms" includes but is not limited to any gun, rifle, shotgun or pistol, including antiques. The term "weapons" includes but is not limited to any knife or instrument used for personal assault. The term "Company property" includes lockers, desk, as well as on the person or in the person's belongings. This prohibition also includes when traveling for Company business and/or when meeting customers outside of our premises.

5.15 POLITICAL CONTRIBUTIONS AND ACTIVITIES

The purpose of this policy is to define restrictions on Associates' political activities during working hours. While Associates are encouraged to vote and participate in the political process, the workplace usually is not the appropriate place for political and campaign activities. This provision is not be interpreted in a way that interferes with Associates' rights under the National Labor Relations Act or any other applicable federal, state or local law.

Associates are prohibited from engaging in political activities that interfere with or disrupt the Company's business. Accordingly, the following practices are prohibited on Company premises:

- Soliciting monetary political contributions from any officer, Associate, or Company-related third parties including but not limited to trade partners;
- Soliciting any contribution of services or resources for political purposes from any officer, Associate, or Company-related third parties including but not limited to trade partners;
- Taking any personnel action or making any promise of threat of action with regard to any Associate, or Company-related third parties including but not limited to trade partners, because of the giving or the withholding of a political contribution or service;
- Making any business-related decision with regard to any Company-related third parties including but not limited to trade partners because of the giving or the withholding of a political contribution or service; and
- Engaging in solicitation or politically motivated behavior that is harassing or discriminatory.

Associates are prohibited from using the Company's funds and assets for political campaign purposes of any kind, except where the political contributions are consistent with state law and the Associate obtains prior approval of the Company's General Counsel or Deputy General Counsel.

Associates are prohibited from using the Company's name, letterhead or facilities in connection with any partisan political communications.

The use of Company resources in connection with political activities may be interpreted as an illegal contribution by the Company to a political party or candidate. Accordingly, Associates are not permitted to spend work time involved in campaign activities. Associates also are prohibited from using Company facilities in connection with campaign or other political activities. Company facilities include, but are not limited to office space of any kind, telephones, email, fax machines, interoffice mail, voice mail, copiers, computer or network systems, and office supplies.

Associates must disclose their intention to run for public office to their supervisor and the Corporate or Regional Human Resources Department.

Any exceptions to this Policy require the express written approval of the General Counsel.

5.16 INSIDER TRADING IN COMPANY SECURITIES, CONFIDENTIALITY OF INFORMATION, AND REGULATION FD DISCLOSURE

Purpose

The Company has adopted this Insider Trading Policy (this "Policy") to promote compliance with applicable securities laws and to preserve the reputation and integrity of the Company as well as that of all persons affiliated with the Company. This Policy prohibits certain persons who are aware of material nonpublic information about a company from: (i) trading in securities of that company or (ii) providing material nonpublic information to other persons who may trade on the basis of that information. This Policy provides guidelines with respect to transactions in the securities of the Company and the handling of confidential information about the Company and the companies with which the Company does business.

Persons Subject to the Policy

This Policy applies to all employees of the Company, including all officers, all members of the Board of Directors of the Company (the "Board") and any other persons that the Board determines should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information ("Insiders"). In addition, this Policy also applies to your family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members who do not live in your household but whose transactions in Company securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company securities (collectively referred to as "Family Members"). Finally, this Policy applies to any entities that you influence or control, including any corporations, partnerships or trusts (collectively referred to as "Controlled Entities"), and transactions by these Controlled Entities should be treated for the purposes of this Policy and applicable securities laws as if they were for your own account. Collectively, this Policy refers to Insiders, their respective Family Members and their respective Controlled Entities, as "Covered Persons."

Statement of Policies Prohibiting Insider Trading

Prohibited Activities

It is the policy of the Company that no director, officer or other employee of the Company (or any other Covered Person subject to this Policy) who is aware of material nonpublic information relating to the Company may, directly, or indirectly or through family members or other persons or entities:

1. Engage in transactions in Company securities, except as otherwise specified in this Policy under the headings "Transactions Under Company Plans," "Transactions Not Involving a Purchase or Sale" and "Rule 10b5-1 Plans;"
2. Recommend the purchase or sale of any Company securities;
3. Disclose material nonpublic information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, other than with the prior written consent of the Company; or
4. Assist anyone engaged in the above activities.

There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

Explanation of Insider Trading

As noted above, "insider trading" refers to the purchase or sale of a security while in possession of "material" "nonpublic" information relating to the Company or the security. "Securities" include not only stocks, bonds, notes and debentures, but also options, warrants and similar instruments. "Purchase" and "sale" are defined broadly under the federal securities law. "Purchase" includes not only the actual purchase of a security, but any contract or instruction to purchase or otherwise acquire a security. "Sale" includes not only the actual sale of a security, but any contract or instruction to sell or otherwise dispose

of a security. These definitions extend to a broad range of transactions including conventional cash-for-stock transactions, conversions, a sale of a security upon a cashless exercise and acquisitions and exercises of warrants or puts, calls or other options related to a security. It is generally understood that insider trading includes the following:

- Trading by insiders while in possession of material non-public information;
- Trading by persons other than insiders while in possession of material non-public information where the information either was given in breach of an insider's fiduciary duty to keep it confidential or was misappropriated; or
- Communicating or tipping material non-public information to others, including recommending the purchase or sale of a security while in possession of such information.

Material Information. Information is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. Any information that could be expected to affect the Company's stock price, whether it is positive or negative, should be considered material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight.

Possible material information or events include, but are not limited to: earnings information, quarterly results, and guidance on earnings estimates; financial condition, including material impairment charges or changes in the debt structure; mergers, acquisitions, tender offers and joint ventures; institution of, or developments in, significant litigation, investigations, regulatory actions or proceedings; new material contracts or developments (including material changes in previously announced schedules) regarding such projects or contracts; major management or organizational changes; changes in the Company's investment strategy; changes in auditors; events regarding the Company's securities (e.g., defaults on any outstanding debt, stock repurchase plans, stock splits or changes in dividends or public or private sales of additional securities); bankruptcies or receiverships of the Company; and regulatory approvals or changes in regulations and any analysis of how they affect the Company.

Nonpublic Information. Nonpublic information is information that is not generally known or available to the public. Information is considered to be available to the public only when it has (1) been released broadly to the marketplace (such as by a press release or an SEC filing), and (2) the investing public has time to absorb the information fully.

Excluded Transactions

Except as specifically noted below under the headings "Transactions Under Company Plans," and "Transactions Not Involving a Purchase or Sale," there are no exceptions to this Policy.

Transactions Under Company Plans

Trading includes purchases and sales of stock, derivative securities such as convertible debentures, preferred stock, and debt securities. Trading also includes certain transactions under Company benefit plans, as follows:

- *Stock Option Exercises.* This Policy's trading restrictions generally do not apply to the exercise of a stock option, or to the exercise of a tax withholding right in which Associates elect to have the Company withhold shares subject to an option to satisfy tax withholding requirements. The trading restrictions do apply, however, to any sale of the underlying stock or to a cashless

exercise of the option through a broker, because this entails selling a portion of the underlying stock to cover the costs of exercise.

- *Restricted Stock Awards.* This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right in which Associates elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The Policy does apply, however, to any market sale of restricted stock.

Transactions Not Involving a Purchase or Sale

Bona fide gifts are not transactions subject to this Policy, unless the person making the gift has reason to believe that the recipient intends to sell the Company's securities while the person is aware of material nonpublic information, or the person making the gift is subject to the pre-clearance procedures specified in the addendum hereto under the heading "Pre-clearance Procedures."

Blackout and Pre-clearance Procedures

To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on the basis of inside information, the Company has adopted additional policies that apply to Board members, executive officers ("executive officers") subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and certain designated employees of the Company who have access to material nonpublic information about the Company (such additional policies are referred to herein as the "addendum"). The Company will notify Associates who are subject to the addendum.

The addendum generally prohibits persons covered by it from trading in the Company's securities during quarterly blackout periods. All Board members and executive officers must also pre-clear all transactions in the Company's securities.

Unauthorized Disclosure

Nonpublic information relating to the Company is the property of the Company and the unauthorized disclosure of such information is forbidden. The timing and nature of the Company's disclosure of material information to outsiders is subject to legal rules, and if Associates violate those rules, Associates, the Company, and its management could be subject to substantial liability. Accordingly, it is important that responses to inquiries about the Company by the press, investment analysts or others in the financial community be made on the Company's behalf only through authorized individuals. Please consult the Company's Regulation FD Policy for more details regarding the Company's policy on speaking to the media, financial analysts and investors.

Inside Information Regarding Other Companies

This Policy and the guidelines described herein also apply to material nonpublic information relating to other companies, including the Company's vendors and suppliers ("business partners"), when that information is obtained in the course of employment with, or the performance of services on behalf of, the Company. Civil and criminal penalties, and termination of employment, may result from trading on inside information regarding the Company's business partners. All Insiders should treat material nonpublic information about the Company's business partners with the same care required with respect to information related directly to the Company.

Penalties for Policy Violation

The purchase or sale of securities while aware of material nonpublic information, or the disclosure of material nonpublic information to others who then trade in the Company's securities, is prohibited by the federal and state laws. Insider trading violations are pursued vigorously by the SEC, U.S. Attorneys and state enforcement authorities as well as the laws of foreign jurisdictions. Penalties for violating the law include imprisonment, disgorgement of profits, civil fines of up to three times the profit gained or loss avoided, and criminal fines of up to \$5,000,000 for individuals and \$25,000,000 for entities. While the regulatory authorities concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

In addition, an individual's failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause, whether or not the employee's failure to comply results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career. The Company will cooperate fully in all governmental investigations of insider trading.

Company Assistance

Any person who has a question about this Policy or its application to any proposed transaction may obtain additional guidance from the Company's General Counsel.

Statement of Regulation FD Disclosure Policy

The Company is committed to fair disclosure of information about the Company without advantage to any particular analyst or investor, consistent with the Securities and Exchange Commission's Fair Disclosure Regulation ("Regulation FD"). The regulation is intended to eliminate situations where a company may disclose important nonpublic information, such as earnings warnings, to securities analysts or selected institutional investors, before disclosing the information to the general public.

It is the Company's policy to comply with all applicable periodic reporting and disclosure requirements established by the Securities and Exchange Commission (the "SEC"), including Regulation FD. The Company will continue to provide current and potential investors with information reasonably required to make an informed decision on whether to invest in Company securities in its periodic filings, its current reports and as required by law or as determined appropriate by management.

I. Scope

Persons Covered. This Policy covers members of the Company's Board of Directors and all employees of the Company and complements this Associate Reference Guide.

Communications Covered. This Policy covers all communications made on behalf of the Company. The following is a non-exclusive list of some examples of communications covered by this Policy:

- speeches, interviews, industry and investor conferences, meetings and conventions;
- news and earnings releases and related conference calls;
- letters to stockholders;
- providing "guidance" as to our operating performance, or financial performance;
- oral statements made or presentations provided, in group and individual meetings, with investors or financial analysts;
- phone calls with financial analysts or investors;
- reviewing analysts reports on us;

- analyst and investor visits;
- social media communications, including through Twitter, Facebook, YouTube and corporate blogs; and
- postings on our website.

II. Regulation FD Overview

Regulation FD requires that whenever:

- The Company or a person acting on behalf of the Company;
- intentionally discloses material nonpublic information;
- to certain specified persons (including broker-dealers, analysts and stockholders); then
- the Company must simultaneously disseminate the information to the public.

If the Company learns that it or anyone acting on its behalf has unintentionally disclosed material nonpublic information, it must make public disclosure of the information "promptly," meaning no later than 24 hours after discovering the unintentional disclosure or the opening of trading on the New York Stock Exchange, whichever is later.

III. Policy Overview

The Company's policies on the communication of material nonpublic information, which are set forth below, are designed to comply with Regulation FD and to provide, where determined appropriate by management or where required by applicable law, for the broad, non-exclusionary dissemination of material nonpublic information.

Intentional Disclosure. A selective disclosure of material nonpublic information is "intentional" when the person making the disclosure either knows, *or is reckless in not knowing*, that the information he or she is communicating is both material and nonpublic.

Material Information. Information is "material" if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. Materiality with respect to contingent or speculative events depends upon a balancing of the probability that the event will occur and the magnitude of the anticipated impact of the event on the Company's business, operations or financial condition. Possible material information or events include, but are not limited to:

- earnings information quarterly results, and guidance on earnings estimates;
- financial condition, including material impairment charges or changes in the debt structure;
- mergers, acquisitions, tender offers and joint ventures;
- institution of, or developments in, significant litigation, investigations, regulatory actions or proceedings;
- new material contracts or developments (including material changes in previously announced schedules) regarding such projects or contracts;
- major management or organizational changes;
- changes in the Company's investment strategy;
- changes in auditors;
- events regarding the Company's securities (e.g., defaults on any outstanding debt, stock repurchase plans, stock splits or changes in dividends or public or private sales of additional securities);
- bankruptcies or receiverships of the Company; and
- regulatory approvals or changes in regulations and any analysis of how they affect the Company.

Furthermore, the Regulation FD adopting release cautions: "[w]hen an issuer official engages in a private discussion with an analyst who is seeking guidance about earnings estimates, he or she takes

on a high degree of risk under Regulation FD. If the issuer official communicates selectively to the analyst nonpublic information that the company's anticipated earnings will be higher than, lower than, or even the same as what analysts have been forecasting, the issuer likely will have violated Regulation FD. This is true whether the information about earnings is communicated expressly or through indirect 'guidance,' the meaning of which is apparent though implied. Similarly, an issuer cannot render material information immaterial simply by breaking it into ostensibly non-material pieces."

Non-public Information. Information about the Company is "nonpublic" if it has not been disseminated in a manner that makes it available to investors generally on a broad-based, non-exclusionary basis.

A. Authorized Spokespersons

No one except (1) the Chief Executive Officer, (2) the Chief Financial Officer, (3) the President, (4) the General Counsel, (5) the Treasurer, (6) a representative of our Investor Relations Department, (7) the Chief Operating Officer, and/or (8) the Controller ("Authorized Spokespersons") shall communicate with Regulation FD Persons (as defined below) on matters concerning the Company. Other Associates may communicate with Regulation FD Persons only after an Authorized Spokesperson has authorized such employee to communicate with the Regulation FD Person subject to any condition such Authorized Spokesperson deems necessary to comply with this policy. An Associate who receives a request from someone for material nonpublic information should not respond. Instead, the Associate should ask for the person's name and number and contact an Authorized Spokesperson.

B. Regulation FD Persons

Regulation FD prohibits selective disclosure to certain enumerated persons, including (i) brokers or dealers, or persons associated with a broker or dealer (which includes buy-side or sell-side analysts); (ii) investment advisers, investment managers or persons associated with an investment adviser or investment managers; (iii) investment companies (including mutual funds) and certain entities that would be investment companies but for certain exceptions, or an affiliated person of any such entity; and (iv) holders of any of the Company's securities; provided that in the case of this clause (iv) it is reasonably foreseeable that such holder will purchase or sell Company securities on the basis of selectively disclosed information (collectively, "Regulation FD Persons").

Communications in the ordinary course of business with customers, suppliers or strategic partners, as well as communications with the press or news organizations or the government, are not generally covered by the regulation. However, as it is difficult to know whether a customer, supplier or strategic partner may also be a holder of the Company's securities, this Policy requires that all material non-public information be communicated in accordance with this Policy.

C. Authorized Disclosure to Regulation FD Persons

Authorized Spokespersons, or their designees, may disclose material nonpublic information about the Company (i) for legitimate business purposes to persons who owe a duty of trust or confidence to the Company (*e.g.*, attorneys, investment bankers or accountants), (ii) for legitimate business purposes to persons who have expressly agreed with the Company in writing to keep the Company's information confidential, such as potential customers, other developers, joint venture partners and vendors, and not to transact in the Company's securities on the basis of such information, and (iii) broad-based electronic, print, television and other media. Prior to disclosing such material non-public information, an Authorized Spokesperson or his or her designee must confirm with the Company's General Counsel that the person to whom disclosure is being made is a permitted recipient as set forth above.

D. Methods of Public Disclosure of Information

Once the Company determines to disclose certain material nonpublic information, the Company may disclose such information through any of the following alternatives:

- “filing” the information under Item 8.01 of Form 8-K (which will result in such information being incorporated by reference into certain securities filings by the Company);
- “furnishing” the information under Item 7.01 of Form 8-K (which will not result in such information being incorporated by reference into securities filings by the Company unless the information is later expressly incorporated into a securities filing);
- distributing a press release through a widely disseminated news or wire service;
- making an announcement on a conference call or at a webcast event (such as an analyst or investor conference or conference call) to which the public has been provided adequate advance notice and access; and
- disclosing through any other method (or combination of methods) of disclosure that is reasonably designed to provide broad, non-exclusionary distribution of the information to the public.

All such press releases should, at a minimum, be provided to the major wire services (e.g., Dow Jones, Bloomberg, Reuters, AP, UPI and Business Wire). Merely posting information on a company’s website would not by itself constitute adequate disclosure. In addition, merely posting information on a social media platform, such as Twitter, Facebook, YouTube or a corporate blog, would not by itself constitute adequate disclosure. Any questions as to whether a procedure will constitute public disclosure should be directed to the Company’s General Counsel.

IV. Communication Policies

A. Quarterly Earnings Releases

The Company will issue a press release disclosing its quarterly results for each quarter of its fiscal year. These press releases will be distributed through widely circulated news and wire services and also furnished to the SEC on Form 8-K as required. The form and substance of each earnings release will be approved prior to release in accordance with procedures separately developed for that purpose, including the Company’s disclosure controls and procedures.

The Company may conduct an earnings conference call following each such earnings release. The Company will provide reasonable advance public notice, through a press release and posting on the Company’s website, of each scheduled conference call to discuss the announced results. Such notice will provide the time and the date of the conference call, and instructions on how to access the call and any replay. Any conference call held will be held in an open manner, permitting interested persons to listen in by telephone and/or through Internet webcasting. Senior management may allow a limited group to ask questions of management on the conference call, provided that all listeners can hear the questions and answers.

The introduction to the conference call shall include a disclaimer relating to forward-looking statements, reference a writing (e.g., the Company’s Form 10-K) containing the factors that could materially affect the validity of such forward-looking statements, and include a disclaimer of any duty to update. Any replay of the conference call shall be accompanied by similar caveats, preferably in writing.

Following any conference call, an audio recording or transcript, including the questions and answers, of the conference call will be posted on the Company’s website and made available through the Company’s website or an outside service for a period of up to 90 days following the call. After this time, the call will be taken down so that the information does not become stale.

B. Participation in Speeches, Interviews and Conferences

This Policy applies to communications between Authorized Spokespersons and Regulation FD Persons at speeches, interviews and conferences, including information included in scripts and/or presentations to be used in speech, interview or conference where Regulation FD Persons may be in attendance. The Company will disclose in a Form 8-K or other method approved by this Policy any material information that may be discussed or presented at the speech, interview or conference. Authorized Spokespersons shall adhere to the script and not disclose any material nonpublic information about the Company during any “break out” or question-and-answer sessions.

If participation in such events will include either question-and-answer sessions after the presentation or any “break out” sessions with Regulation FD Persons, whenever possible two (2) Authorized Spokespersons should be present in order to determine whether any material nonpublic information has been unintentionally disclosed. If it is determined that material nonpublic information may have been disclosed unintentionally during the event, the General Counsel should be notified immediately.

C. Roadshows

Regulation FD does not apply to statements made in connection some registered public offerings, but it does apply to oral and written information provided in connection with private placements and other non-registered offerings. Further, the exemption is not available for registered secondary offerings, DRIP plans, employee benefit plan offerings and exercises of outstanding options, warrants or convertible securities. Accordingly, prior to any conference or roadshow associated with a non-exempt offering, the Company will publicly disclose through the filing of a Form 8-K or other method approved by this Policy, any material information that may be discussed or presented.

D. Responding to Calls or Questions from Regulation FD Persons

As a general policy, Authorized Spokespersons will not engage in informal contacts or “one-on-one” meeting or telephone calls with Regulation FD Persons. If authorized by the General Counsel, Authorized Spokespersons may engage in “one-on-one” meetings or telephone calls solely to provide historical public information. In addition, the Company anticipates that, for a period of up to two weeks following an earnings conference call, Authorized Spokespersons authorized by the Chief Executive Officer and the General Counsel will be available to discuss in “one-on-one” meetings or telephone calls information from the earnings conference call.

E. Providing “Guidance” as to Performance or Results

The Company will not provide guidance regarding unreported performance or results, whether direct, indirect, explicit or implied, to Regulation FD Persons, except in the context of a press release or other SEC filing

Implicit or “indirect” confirmation that the Company is, or remains, comfortable with analysts’ consensus on earnings, guidance or other components of the Company’s expected performance or results is a violation of Regulation FD, unless simultaneous public disclosure is made. Consequently, Authorized Spokespersons may only answer questions that relate to forward-looking information or reaffirm forward-looking information contained in any release or disclosed during any conference call during the two-week period following the release of such forward-looking information. Other than during such two-week period, Authorized Spokespersons will not reaffirm, clarify or update any earnings guidance or other information given in the Company’s publicly disclosed documents, unless such update shall have been previously disclosed. To the extent that forward-looking information is included in presentations that fall outside of this two-week period, the forward-looking information shall be footnoted with a statement identifying the date that such guidance was most recently provided and that the Company is not updating such information as of the date of the presentation.

F. No Responding to Market Rumors

The Company will not confirm or deny or otherwise discuss or comment on rumors in the marketplace (including those that appear in “chat rooms” on the Internet) regarding the Company or on similar matters. The Company’s response to inquiries regarding such matters is “no comment” or “we do not comment on rumors”.

G. Reviewing Analyst Reports and Similar Materials

The Company does not to review or comment upon any analyst reports, financial models and similar materials published by Regulation FD Persons other than for the limited purpose of ensuring the accuracy of historical data and previously disclosed public information.

H. Forward-Looking Statements

Subject to compliance with this Policy, the Company may, from time to time, release earnings estimates and make other forward-looking statements regarding its outlook or expectations for revenues, expenses, capital levels, asset quality or other future financial or business performance, strategies or expectations, or the impact of legal, regulatory or supervisory matters on its business operations or performance. In connection with these statements, the Company may rely upon the safe harbor as prescribed in the Private Securities Reform Act of 1995.

The Company generally seeks to identify forward-looking statements and to accompany such statements with meaningful cautionary language that warns investors regarding risks that such statements could change materially. In the case of oral forward-looking statements, if the cautionary language is not included in a previously released, readily available written document, the Company will generally seek to include appropriate language along with such statement. In addition, such statements shall also be deemed qualified by applicable cautionary language contained in previous Company SEC filings and other readily available written documents, such as a news release.

V. Monitoring Postings on the Company’s Website

Even if information is accurate, complete and without omission, website posting alone does not constitute “public disclosure” for purposes of Regulation FD. Therefore, all financial and business information about the Company that is proposed to be posted on the Company’s website must be reviewed by the General Counsel prior to posting or distribution. The General Counsel will review this information for accuracy and completeness and will also determine whether “public disclosure” of the information is required. The General Counsel has primary responsibility to ensure that all of the Company’s information placed on the Company’s website, worldwide, is accurate, complete and up-to-date.

VI. Policy Implementation**A. Training**

The General Counsel will consider, recommend and provide, or cause to be provided, to Authorized Spokespersons and such other persons as the General Counsel deems appropriate training and educational materials from time to time in order to promote compliance with this Policy and related legal or regulatory requirements. This training is designed to assist in the identification and prevention of the disclosure of material nonpublic information, as well as the procedures to follow if it is believed that a nonpublic disclosure of material information may have occurred.

B. Unintentional Selective Disclosures

If any Authorized Spokesperson or other employee of the Company becomes aware a possible unintentional disclosure of material nonpublic information about the Company to a Regulation FD Person, he or she shall immediately inform the General Counsel to permit public disclosure of such material nonpublic information, in accordance with Regulation FD and other applicable law.

C. Posting of this Policy

This Policy shall be regularly disseminated and posted on the Company's intranet website and must be strictly complied with.

D. Violation of this Policy

The Company's General Counsel is responsible for administering this Policy and for monitoring compliance with it by the Company's directors and employees.

Violations of this Policy may constitute grounds for disciplinary action, including dismissal. Violations of Regulation FD are subject to SEC enforcement action, which may include an administrative action seeking a cease-and-desist order, or a civil action against the Company or an individual seeking an injunction and/or civil money penalties. If an employee or director of the Company believes that a disclosure of material nonpublic information about the Company may have occurred, he or she must immediately notify the Company's General Counsel so that the Company can determine whether it is required to make public disclosure of the information in accordance with applicable law.

E. Further Information about Regulation FD

All inquiries regarding the provisions or procedures of this Policy or Regulation FD generally should be addressed to the Company's General Counsel.

5.17 DISHONEST OR FRAUDULENT ACTIVITIES

Our Company, like any other, is subject to the possibility of irregularities in the handling of money, documents, equipment and materials. Associates should be familiar with the types of improprieties that may result in their respective area and also be alert for any indication that a misuse, misappropriation or irregularity might exist or has occurred. Suspected acts include such things as:

- Any dishonest or fraudulent act;
- Forgery or alteration of employment records, business records or policy related items, such as loans, surrenders, assignments, changes in beneficiary, etc.;
- Forgery or alteration of checks, drafts, promissory notes and securities;
- Any misappropriation of funds, securities, supplies, materials or any other assets;
- Any irregularity in the handling or reporting of money transactions;
- Disappearance of furniture, fixtures and equipment;
- Any similar or related irregularity.

Execution of Contracts

To ensure that the Company can meet all of its commitments, maintain accurate records of those commitments, and accurately account for the financial aspects of those commitments, contracts with customers, suppliers, vendors, or any other third parties must be established only through formal, written agreements, with approval by the Company's Legal Department where required, and in all instances with the signatures of authorized Company management. Modifications to existing contracts

must occur through the same channels. Except as expressly authorized by the Company, Associates do not have authority to enter into contracts on behalf of the Company.

No Side Agreements

Side agreements expose the Company to a variety of legal risks and are strictly prohibited. A “side agreement” is any commitment – verbal or written, even via text or email – outside the bounds of an authorized Company contract. Associates should seek guidance from the Legal Department if they are unsure whether a particular course of action might be considered a side agreement.

Notary Public

All Company-related documents requiring a Notary Seal shall be signed by a licensed Notary Public, and the use of a Notary Seal by anyone other than a licensed Notary Public on these documents is strictly prohibited. Additionally, Notary Publics are held to a higher legal standard and shall conduct themselves in an honest, fair and unbiased manner, including but not limited to the following:

- Acting as an impartial witness and not receiving any profit or gain from any document or transaction requiring a notarial act;
- Requiring the presence of each signer and oath-taker in order to carefully screen each for identity and willingness, and to observe that each appears aware of the significance of the transaction requiring a notarial act;
- Not executing a false or incomplete certificate, nor be involved with any document or transaction that is false, deceptive or fraudulent;
- Giving precedence to the rules of law over the dictates or expectations of any person or entity;
- Acting as a ministerial officer and not providing unauthorized advice or services;
- Affixing a seal on every notarized document and not allowing the seal to be used by another;
- Recording every notarial act in a bound journal or other secure recording device (as required by applicable law) and safeguarding it as an important record;
- Respecting the privacy of each signer and not divulging or using the personal or proprietary information disclosed during execution of a notarial act for other than an official purpose;
- Seeking instruction on notarization, and keeping current on the laws, practices and requirements of the notarial office; and always acting in compliance with same.

Foreign Corrupt Practices Act and Anti-Bribery Compliance Policy

The Company is committed to doing business with integrity. The Company is committed to a zero tolerance policy toward bribery and an effective program of internal systems and controls to support compliance with the letter and the spirit of the U.S. Foreign Corrupt Practices Act (“FCPA”) and all anti-corruption laws enacted in other countries in which we may do business. These laws prohibit bribery of Foreign Officials (broadly defined below), and with regard to the FCPA in particular, mandate that companies establish and maintain accurate books and records and sufficient internal controls. This Policy is not intended to be exclusive and may be modified, amended or supplemented by the Company from time to time. This Policy should be read in conjunction with all other policies of the Company, including the Company’s Code of Business Ethics and Conduct.

1. Persons Subject to the Policy

This Policy applies to all of the Company’s Associates, including its officers, and all members of the Board of Directors of the Company.

2. Prohibited Conduct

The FCPA and similar laws prohibit companies and individuals from corruptly offering, promising or giving anything of value to a Foreign Official to assist the Company or individual in obtaining or retaining business or to obtain any improper advantage. It is also unlawful to make payments to agents, sales representatives or other intermediaries while knowing or having reason to know that any portion of the payment will be used illegally. The prohibition on bribery applies to the giving of anything of value, not only money. This includes providing business opportunities, favorable contracts, stock options, gifts and entertainment.

“Foreign Official” includes any of the following in countries other than the United States:

- Any officer or employee of any government entity, department, or agency or instrumentality thereof;
- Any officer or employee of a state or government-owned business, school, hospital, or other entity;
- Any political party and official thereof or candidate for political office;
- Any officer or employee of a public international organization (e.g., the International Monetary Fund, the World Bank, or the European Union);
- Any person acting in an official capacity on behalf of a government entity; and
- Members of foreign royal families that have governmental duties.

Facilitating Payments

Payments that are minor in value and that are made to expedite or secure the performance of routine governmental actions may be permitted under the FCPA. Routine governmental actions are ministerial or clerical in nature and do not involve any discretionary decision-making. Examples include the issuance of visas, permits, licenses, or other official documents to qualify a person to do business in a foreign country, and obtaining police protection. Although there is a narrow exception for facilitating payments under the FCPA, such payments are prohibited under the laws of many other countries. Facilitating payments should be avoided to the maximum extent possible. In order to ensure compliance with all applicable corruption laws, the prior written approval of the Company's General Counsel is required. If any Foreign Official requests a facilitating payment from a director, officer, or associate, such request must immediately be reported to the Company's General Counsel, in the case of directors and officers, and to his or her supervisor, in the case of other associates. In the event the Company's General Counsel approves a facilitating payment in writing, the associated expense must be properly recorded in the Company's books and records. Facilitating payments should never be made by third parties acting on the Company's behalf.

Promotional Expenses

Payments to Foreign Officials for expenses related directly to the promotion, demonstration, or explanation of products or services, or execution or performance of a contract (i.e., promotional expenses) that are reasonable and bona fide are permissible. Accordingly, payment of reasonable expenses for the travel, meals and entertainment of Foreign Officials that directly relate to the promotion, demonstration or explanation of the Company's products or services, or the performance of a contractual obligation are permissible.

Gifts to Foreign Officials

Exchanging gifts with Foreign Officials is intended to build good will and sound working relationships, but not to gain any special advantage in the relationship. A gift of any value given for corrupt purposes violates the FCPA and is prohibited. Company personnel must only provide gifts in good faith and not with any corrupt intent or to obtain any improper advantage. Moreover, gifts must be permitted under the local laws of the foreign country and the regulations of the Foreign Official's government entity. The appropriateness of business gifts must be assessed against the following criteria:

- The gift is unsolicited.
- The gift is valued at less than US\$250; no more than two such gifts per person per year are permitted.
- The gift is given seasonally (for example, at Christmas) or on a special occasion (for example, promotion, retirement, marriage, newborn), where failure to give/accept the gift could be perceived as impolite.
- Generally, the gift should either be a consumable product customarily given on a particular occasion or a mass-produced product bearing the Company's logo.
- The giving or acceptance of any cash or cash-equivalents (for example, gift certificates, coupons, securities, disbursement vouchers, club membership or other items that can be readily exchanged for cash) is absolutely prohibited.

Expenses for gifts must be properly recorded in the Company's books and records. In order to ensure compliance with all applicable corruption laws, the prior written consent of the Company's General Counsel is required to provide a gift to Foreign Officials.

Business Entertainment and Hospitality

Associates, officers and directors must not provide or accept business entertainment or hospitality that is excessive in nature or frequency, is prohibited under local law, or is otherwise inappropriate. The form and cost of acceptable business entertainment or hospitality will depend on a number of factors, including the nature of the relationship with the host or guest, the cost and standard of living in the region, and the acceptable forms of business entertainment or hospitality in the region. Third parties acting on the Company's behalf must never, in connection with the services being provided to the Company, provide business entertainment or hospitality to, or accept business entertainment or hospitality from, any Foreign Official. Business entertainment or hospitality expenses must be properly recorded in the Company's books and records. In order to ensure compliance with all applicable corruption laws, the prior written consent of the Company's General Counsel is required to provide business entertainment or hospitality to Foreign Officials.

Charitable Donations

All charitable donations should be transparent and permissible under the FCPA or local law. Prior to making a charitable contribution to an organization in a foreign country in which a Foreign Official is known to have an interest or position, the charitable contribution must be approved in writing by the Company's General Counsel. Approved donations and contributions must be properly recorded in the Company's corporate books and records. Third Parties acting on the Company's behalf should never, in connection with the services being provided to the Company, make, offer, or promise to make a charitable donation, donation or contribution to a governmental or civic organization, or political contribution.

Political Contributions

The FCPA permits companies to make political contributions to foreign political parties or candidates to the extent that political contributions are permitted under local written law. Prior to engaging in any political activity in a foreign country, including the provision of political contributions, consult with the Company's General Counsel.

3. Record-Keeping Requirements

The FCPA requires companies to maintain reasonably detailed books, records and accounts, as well as a system of internal accounting controls, in order to reflect accurately all transactions and disposition of their assets. These provisions apply to both domestic and foreign operations and payments and are not limited to sums that would be “material” in the traditional financial sense. All financial books, records, and accounts must accurately reflect transactions and events and conform to the Company’s approved accounting policies and system of internal controls.

4. Due Diligence

The Company should never enter into any relationship with a third party who will have interaction with Foreign Officials on behalf of the Company without an inquiry into the third party’s background, qualifications and reputation. Any issues raised during this due diligence review must be addressed to the satisfaction of the Company prior to entering the relationship. The amount of time and effort required for due diligence will depend on the number and complexity of issues raised during the review process. In order to ensure compliance with all applicable corruption laws, the prior written consent of the Company’s General Counsel is required prior to hiring a third party who will have interaction with Foreign Officials.

5. Consequences of Violation

Violations of this policy could result in criminal and civil charges in the United States or abroad, with significant penalties if an associate, officer, director and/or the Company is convicted. The Company also could face civil litigation and serious harm to its reputation as a result of FCPA violations. Associates, officers or directors who are convicted of FCPA violations also could face imprisonment. In addition, an individual’s failure to comply with this Policy may subject the individual to Company-imposed sanctions, including dismissal for cause.

Reporting Dishonest or Fraudulent Activities

Upon noting any indication or suspicion of any impropriety, you must report such impropriety to the Ethics Hotline or the Legal Department.

Under no circumstances will an Associate who in good faith reports alleged dishonest or fraudulent activities, or who cooperates in an investigation, be subjected to any form of reprisal or retaliation for the report or cooperation.

5.18 WORKPLACE SEARCHES

In order to safeguard the property of our Associates, customers, third parties, and the Company; and to prevent the possession, use, and sale of alcohol and illegal drugs or any other illegal substances on Company premises; the Company reserves the right to question Associates and all other persons entering and leaving our premises, and to inspect any packages, parcels, purses, handbags, briefcases, lunch boxes, or any other possessions or articles carried to and from the Company’s property. In addition, the Company reserves the right to search any Associate’s office, desk, files, locker, or any other area or article on our premises for any reason, as allowed by law. All offices, desks, files, lockers, computers, etc., are the property of the Company, and are issued or permitted for the use of Associates only during their employment. Inspections may be conducted at any time at the discretion of the Company.

Associates working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as Associates who after the inspection are believed to be in possession of stolen property, illegal drugs, alcohol, firearms, or other unauthorized weapons or property will be subject to disciplinary action up to and including discharge if upon investigation they are found to be in violation of the Company's rules and regulations. In addition, the Company reserves the right to contact appropriate law enforcement officials with respect to this policy.

This policy will be administered in accordance with applicable law.

5.19 PROHIBITION AGAINST LOANS/ADVANCES AND COMINGLING OF FUNDS

Under no circumstances will Corporate money or Associates' money be loaned or advanced to any trade partners, vendors, customers, other Associates, or any third parties with whom the Company does business.

Company Associates will not borrow money from any trade partners, vendors, customers, other Associates, or any third parties with whom the Company does business, under any circumstances.

Associates are prohibited from comingling and/or making or receiving payments of funds between, to or from customers, potential customers, subcontractors, trade partners, and Associates of the Company and/or any affiliate of the Company except as specifically allowed by written Company policy relating to authorized Company personnel endorsing checks from customers directly into bank accounts of the Company.

5.20 ASSOCIATE EMPLOYMENT VERIFICATIONS

All references or verifications of employment must be requested in writing. Written requests must be sent to Corporate Cost Control for processing. The Company will verify or provide position, salary and dates of employment only. Managers, supervisors, and Human Resources representatives are prohibited from providing references and employment verifications and/or social networking endorsements.

Wage and employment verifications are conducted through Corporate Cost Control. Please refer to the [Payroll page](#) for further instruction.

5.21 AUTO ALLOWANCE

Associates working in specific positions may be given an auto allowance in order to defray some of the costs in the operation of a personal automobile for Company business. As part of our Company's ongoing focus on SG & A expenses, auto allowances will be reviewed on an annual basis. The Company reserves the right to modify or discontinue auto allowances.

5.22 COMPANY OWNED VEHICLES AND USE OF PERSONAL VEHICLES

Driver's License and Insurance

Any Associate driving a vehicle for Company business, whether a personal or Company vehicle, is required to have a valid driver license and the minimum insurance coverage required by Company policy, as required in this section. The Associate must immediately notify his or her supervisor if the status of the Associate's driver's license or insurance coverage changes (e.g., suspension, restrictions, etc.). Failure to do so may subject the Associate to discipline up to and including termination.

Company Vehicles, Including Those Purchased or Leased Through Joint Venture Funds

It is the Company's intention to phase out the use of Company vehicles. All business units should develop a plan to sell or dispose of all Company owned vehicles, including those owned by a Company Joint Venture. Notify Risk Management of vehicles as they are eliminated.

However, in the event the purchase of a Company vehicle is required, written approval must be obtained from the CEO, COO, or Regional President, along with the Chief Human Resources Officer, prior to the purchase of any Company owned vehicle. The Risk Management Department must be notified of any pending vehicle purchase, including the name, date of birth, and driver's license number of the assigned driver, VIN of the vehicle, year, make, model, cost, garaging address, and the expected use of the vehicle.

Company vehicles may be assigned to designated Associates for Company use. Company assigned vehicles may only be driven by the Associate who is assigned to the vehicle. The Company will pay expenses related to the Company vehicle as used for Company business (Examples: car repairs and routine maintenance.) Assigned vehicle restrictions:

- **Customer Care Vehicles**
Customer Care Vehicles may be used only on Company business; however, the vehicle may also be driven to and from work by the Associate only, but no other personal use is allowed.
- **Unassigned Vehicles and Equipment**
Unassigned vehicles and equipment may be used only during business hours for Company business; no personal use is allowed. When the unassigned vehicle is not being used for business purposes, it must be kept on the Company's premises, except when it is temporarily located elsewhere for repairs, etc.
- **All Other Vehicles**
All other vehicles may be used on Company business and for personal use; however, vehicle may be driven by an authorized Associate only.

All drivers who are assigned a Company vehicle must maintain a satisfactory safety or traffic violation record, per the requirements in this Section, adhere to the Company's Vehicle Safety Program ("the Program") and maintain a copy of the Program in the Associate's vehicle.

Associates assigned a Company vehicle will submit to the Payroll Department a report documenting mileage for personal use of the Company vehicle. Any non-business related usage will be considered wages, pursuant to tax laws and regulations, and will be subject to tax withholdings. (Contact the Corporate Payroll Department for more details.)

Associates assigned a Company vehicle must keep a mileage log. Without substantiation of the business use of a Company car, the entire usage is considered a taxable fringe benefit that must be reported on Associates' W-2 Statements.

Use of Personal Vehicles on Company Business

Motorcycles are prohibited as a means of transportation while on Company business. Commuting to and from work from home does not apply as Company business.

Associates who regularly use their own personal vehicle when traveling on Company business are required to comply with the following:

- "Regular use" is defined as use of a personal vehicle on Company business by Associates whose job description/duties require them to travel on Company business on a regular or daily basis.
- Associates must maintain a satisfactory safety or traffic violation record, per the requirements in this Section.
- Associates must maintain a personal vehicle liability policy covering the Associate's personal vehicle with minimum liability limits of \$250,000 per person/\$500,000 per accident/\$100,000 property damage and \$250,000 uninsured motorist coverage.
- Associates must adhere to the Company's Vehicle Safety Program. Maintaining a copy in the Associate's personal vehicle is recommended.
- Associates must successfully complete and pass the Company's on-line Vehicle Safety Program within 30 days of employment, and annually thereafter.

Associates who occasionally use their own personal vehicle in the course of Company business are required to comply with the following:

- "Occasional use" is defined as use of a personal vehicle on Company business by Associates whose job description/duties may require them to travel or perform unscheduled tasks on an occasional basis.
- Associates must maintain a satisfactory safety or traffic violation record, per the requirements in this Section.
- Associates must maintain personal vehicle liability policy covering the Associate's personal vehicle with at least the minimum required limits under applicable state law.
- Associates must adhere to the Company's Vehicle Safety Program. Maintaining a copy in the Associate's personal vehicle is recommended.

At the request of Risk Management, Associates who drive occasionally or regularly on Company business must submit a copy of the declaration page of their vehicle insurance policy ("declaration page") to Risk Management. Associates may be required to submit a copy of the renewal declaration page when their auto policy renews, typically every six (6) months or twelve (12) months.

Operation of Vehicles – Company Owned Vehicles and Personal Vehicles Driven on Company Business

The Company assumes no responsibility for, nor will Associates be reimbursed for, any fines incurred for traffic or parking violations. Associates are required to comply with all applicable traffic and safety laws.

Use of a cell phone, smartphone, laptop, pager, or other wireless device while driving is prohibited, per the Cell Phone and Other Wireless Communication policy, and may subject the Associate to discipline up to and including termination.

In the unfortunate event an Associate is in an auto accident or their vehicle is damaged; Associate must follow the accident report procedures in the Company's Vehicle Safety Program.

If the accident involves an Associate's personal vehicle and occurred while driving on Company business, the Associate should report the accident/damage to their personal auto insurance agent. The Associate is responsible for their policy deductible or any uninsured items.

Rental Vehicles

Per the Expense Reimbursement section, Associates must reserve compact or mid-size vehicles only. When possible, use preferred vendors and decline LDW or CDW insurances when on Company business. Contact the Risk Management Department for more information.

Associates driving rental vehicles on Company business must be named on the applicable rental agreement. Failure to ensure that such vehicles are driven only by the Associate(s) named on the rental agreement may result in an Associate being held personally liable for any damages.

If an Associate is involved in an accident involving a rental vehicle on Company business, the Associate must complete an [Automobile Accident Report](#). The report, along with a copy of the rental agreement should be given to their supervisor to be forwarded on to the Miami Risk Management Department ([IIPP manual](#)). When returning the rental vehicle, Associates must advise the rental company of the accident. Should the rental company request proof of insurance at that time, the Associate should contact a member of the Risk Management Department. In the event the rental company requires that the Associate produce a valid identification card at the site, and the Associate cannot reach Risk Management, the Associate should present his/her personal vehicle identification card. If traveling on Company business, in most cases the Company's insurance policy will cover the damages as a result of the accident. Risk Management must receive notification of the accident to avoid any potential claim against the Associate's personal vehicle policy. Any documentation received by the Associate requesting payment for damages should be forwarded to Risk Management for further handling.

Satisfactory Safety or Traffic Violation Record

The Company reserves the right at the Company's discretion to prohibit Associates with unsatisfactory safety or traffic violation records from operating Company vehicles, renting vehicles, or driving their own personal vehicle on Company business. An unsatisfactory record includes but is not limited to any Associate with a driving record showing any of the following:

- In the past 3 years: 3 or more moving violations; 2 or more at fault accidents; or a combination of 2 or more violations and 1 or more accidents.
- In the past 7 years: Driving under the influence; driving with a suspended or revoked license; or a criminal vehicular conviction.

5.23 CELL PHONE AND OTHER WIRELESS COMMUNICATION

The purpose of this policy is to establish guidelines for the issuance and usage of all wireless devices used for communication purposes (e.g. cellular phones, smartphones, wireless data cards, pagers, and other wireless devices). This policy outlines the wireless communication options supported by the Company, guidelines for appropriate use, and other administrative issues relating to wireless communication device acquisition and reimbursement.

Scope

This policy applies to all Associates and other persons who have or are responsible for any wireless device issued by the Company or conduct business on behalf of the Company using any wireless device.

General

Associates working in specific positions may be issued a wireless device in order to perform their job duties. It is the policy of the Company to consider the issuance of a wireless device when the responsibilities of an Associate require:

- The Associate to be reachable immediately.
- The Associate to be "on call" outside of normal business hours.
- The Associate is not normally present at a fixed workstation due to extensive travel or work outside of a fixed workstation and timely communication is difficult to transact.

The final decision on whether an Associate will be issued or reimbursed for a wireless device rests with the Division President, Branch Manager, Corporate Department Head, or equivalent at Company subsidiary.

If the Company is currently reimbursing an Associate for a personal cell phone and supplying them with a Company-owned smartphone or providing both, the Associate should notify the IS Help Desk to configure the Company-owned smartphone to include phone services. The appropriate wireless plan to support business needs will be determined at that time. Thereafter, the Company will no longer reimburse the Associate for his/her personal cellular phone and only provide reimbursement for one device. Company-issued cellular phones which are now redundant should be returned to the appropriate Department Head.

Mobile devices are defined as any portable computing or telecommunications device that can execute programs or store digital data. Examples of mobile devices include laptop, handheld computer, notebook, tablet, mobile phone, digital camera, portable printer, portable scanner, CD, DVD, diskette, magnetic tape, external/removable hard drive, flash memory card/drive, or any other device that may be utilized to connect to the Company network to process or store data.

Associates are required to comply with the following security requirements while utilizing a mobile device to access Company systems.

- Mobile device users are required to acknowledge acceptance of all policies required by the Company before the device is granted access to Company systems and applications.
- All mobile devices granted access to Company systems and applications are required to be inventoried prior to access being granted.
- All mobile devices must have personal firewall and anti-virus software installed prior to access being granted to Company networks and systems.
- Mobile devices may only connect to Company systems and data via authorized connection methods. Any attempts to bypass operating system security configurations will result in access being automatically disabled.
 - Mobile device users must grant Company consent to perform the following functions:
 - Collect Company data
 - Add/remove accounts and configure restrictions
 - Document, install, and manage mobile device applications
 - Remotely or locally erase Company data on all Company and user-owned mobile devices
 - Monitor and log activity

- Remotely shut down device without notice
- Mobile device users are required to adhere to all Company policies while accessing Company systems and applications.
- Mobile device users are prohibited from storing Company data on any external storage device, personal cloud storage service, or on applications not protected by the mobile device management software.
- All Company data residing or stored on mobile devices must be encrypted.
- Mobile device users are required to notify their manager and the Enterprise Security Office immediately upon suspicion that their device's security has been compromised in any way, to include being lost or stolen.
- Mobile device users must not leave their mobile device unattended or where the device is visible and can be easily stolen, such as in a car.
- Company-owned mobile device users are required to relinquish their mobile device immediately upon termination of employment.
- When traveling, Company-owned devices should never be placed in checked luggage. Always carry laptops or mobile devices with carry-on luggage, and keep it in view at all times.

Use of a cell phone, smartphone, laptop, pager, or other wireless device while driving is prohibited unless used with a hands-free device and such use is allowed in the state in which Associate is driving.

It is also the policy of the Company to reimburse Associates for cellular phone calls incurred on behalf of the Company via an Associate-owned/controlled cellular phone as required by applicable law. Associates should request reimbursement using a properly approved [Expense Report](#).

Eligible Users

All Associates requiring the use of wireless communication devices for business purposes must go through an application process that clearly outlines why the access is required and what level of service the Associate needs should his/her application be accepted. An [IS purchase request form](#) must be approved and signed by the Associate's Division President, Division Controller, Corporate Department Head, or equivalent at Company subsidiary before submission to the IS Help Desk.

Wireless Devices: Appropriate Use and Network Security

It is imperative that cellular phones and other wireless devices owned by the Company or used to conduct Company business be used appropriately, responsibly, and ethically. The following must be observed:

1. Company-owned cellular phones and other wireless devices are property of the Company and must be treated, used, and safeguarded as such. If an Associate damages or loses a Company-issued cellular phone or other wireless device or an Associate-owned/controlled device that contains Company data, the Associate must notify the IT Department immediately.
2. No Associate is to use a Company-owned cellular phone or other wireless device for the purpose of illegal transactions, harassment, or obscene behavior, in accordance with other existing Associate policies.

3. Cellular access charges as well as Company business related calls on Company owned devices or other wireless devices will be paid by the Company.
4. Company-owned cellular phones and other wireless devices are not the private property of any Associate and Associates should have no expectation of privacy in them. Any voicemails, text messages, or other information stored on such devices are the property of the Company.

It is the responsibility of any Associate who is connecting to the organizational network via a smartphone or mobile wireless device or service to ensure that all components of his/her wireless connection remain as secure as his or her network access within the office. It is imperative that any wireless connection used to conduct Company business be utilized appropriately, responsibly, and ethically. Failure to do so will result in immediate suspension of that user's account. Based on this, the following rules must be observed:

1. General access to the Company network through the Internet by mobile wireless devices and services through the Company's network is only permitted with Company owned or approved smartphone or other wireless devices.
2. Associates will make no modifications or add service of any kind to Company-owned and installed wireless hardware or software without the express approval of the Company's IT Department.
3. Associates must protect all Company data stored on Associate-owned/controlled cellular phones and wireless devices (and any backup copies and/or "cloud" storage), including by following all applicable Company policies while the device is in use, and by cooperating with the Company and ensuring that all Company data is removed or deleted from any device that Associate ceases using for Company business purposes for any reason, including but not limited to upgrading or discarding the device, or termination of employment for any reason.
4. To protect the Company's confidential and/or proprietary information, Associates may be required to install approved mobile device management software and agree to its terms and conditions, including granting permissions to collect personal data, add/remove accounts and restrictions, list, install, and manage apps, and remotely erase data. The Company respects Associate privacy and any permissions required by the mobile device management software will be utilized consistent with business necessity.
5. Associates with wireless access privileges must ensure that their computers and handheld devices are not connected to any other network while connected to the Company's network via remote access.
6. Associates agree to immediately report to their manager and the Company's IT Department any incident or suspected incidents of unauthorized access and/or disclosure of Company resources, databases, networks, etc.
7. Associates also agree to and accept that their access and/or connection to the Company's networks may be monitored to record dates, times, duration of access, etc., in order to identify unusual usage patterns or other suspicious activity. As with in-house computers, this is done in order to, among other things, identify accounts/computers that may have been compromised by external parties.
8. IS reserves the right to turn off without notice and for any reason any access port to the Company network that puts the Company's systems, data, users, and clients at risk.

Addition of new hardware, software, and/or related components to provide additional connectivity within corporate facilities will be managed at the sole discretion of the IT Department. Non-sanctioned installations of hardware, software, and/or related components, or use of same within the organization, or to gain access to organizational computing resources, are strictly forbidden.

Reimbursement of Cellular Calls

Associates may be reimbursed for Company *business calls* made on their personally-owned cellular phones; however, cellular *access charges* on personally-owned devices are generally the responsibility of Associates and will not be paid by the Company. In order to be reimbursed, the following conditions must be met:

1. Reimbursement requests should be made on an Expense Report.
2. A copy of the detailed phone bill must be attached to the Expense Report. If the cellular provider does not provide detailed billing, Associates must request that they do so in order to be reimbursed. If the copy of the bill does not list to whom (or from whom) the calls were made, Associates will be required to provide any such further information as the Company may reasonably request. Reimbursement will not be processed until a detailed phone bill or additional information is provided.

Company Owned Air Cards and Wireless Routers

With the exception of Associates who have been approved for a Company-issued air card device or wireless router (such as a mobile wifi hotspot) for Internet access on their laptops while traveling, all air cards and wireless routers will be distributed on an as-needed basis for traveling.

Recording of Time by Non-Exempt Associates

All non-exempt Associates must accurately record all time spent performing work on behalf of the Company on their timesheet. This includes, but is not limited to, time spent performing work on behalf of the Company utilizing any Company issued or reimbursed, or personal, cellular phone, smartphone, laptop, pager, or any other electronic device, even if such work is performed away from the Company's business premises or after regular business hours.

This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment or initiating communications directly with, or responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority.

For additional rules regarding recording of time, please refer to the Pay Policies section of this Associate Reference Guide.

5.24 RECORD RETENTION

The Company maintains a record retention policy to prevent, when appropriate, the destruction of records that would normally be purged in the ordinary course of business. This comprehensive policy may be found in the Accounting Policies and Procedures Manual at Section 2.06.00. Company records that might normally be destroyed under the Company's standard [Records Retention Schedule](#) must not be destroyed if those records are relevant to a pending, threatened or reasonably anticipated legal or administrative action or proceeding against or by the Company or internal, regulatory or governmental

investigation involving the Company (collectively referred to as "Actions"). In general, this means Associates must cease record destruction (and prevent others from destroying records) if they are aware or are notified of an Action or other situation that may reasonably require the production of Company records.

If the Company issues a litigation hold directive in connection with a lawsuit, legal proceeding, or government investigation or audit, Associates must retain all documents and electronic information specified by that directive, until Associates are told otherwise by the Legal Department. Associates must also comply with all efforts by the Company to collect such items. Similarly, if Associates have not yet received a litigation hold directive, but they can reasonably anticipate that a lawsuit may occur, Associates should retain the documents and electronic information that would be relevant to the dispute. Never delete or hide something that is covered by a litigation hold directive, even if Associates feel it may be damaging to Associate or the Company. If there is a question as to whether a particular record should be maintained, consult an authorized Legal Department representative prior to its destruction. Company records destroyed after the Company is on notice of an Action may result in penalties to the Company and to the individuals involved.

Associates must also do their part to protect the Company's confidentiality in such situations. Avoid discussing any lawsuit, legal proceeding, or investigation with other Associates or individuals outside the Company, except with prior approval from the Legal Department.

5.25 AUDIO/VIDEO ACKNOWLEDGMENT

Occasionally, it may be necessary for the Company to record a Company function, process or event, e.g., various meetings and training classes, mystery shopper events, performance evaluation, Focused Acts of Caring, Habitat for Humanity builds, Blood Drives, Life and Work Skills program, etc.

In consideration of employment and/or continued employment with the Company, all Associates permit and authorize the Company, its affiliates, agents, and/or personnel acting on behalf of the Company to use any recordings, photographs, and/or videos, utilizing whatever audio and/or video devices the Company deems fit to tape or record any transaction with Associates, guests and/or customers, for purposes related to Associates' employment with the Company, including marketing and promotion of the Company and its various products and programs. The recordings, photographs, and/or videos may be copied and distributed by means of various media, including placement on Company sponsored websites. The Company cannot warrant or guarantee that the recordings, photographs, and/or videos will not be further disseminated by others not subject to the Company's supervision or control, and Associates release the Company from liability related to the use and/or dissemination of the recordings, photographs, and/or videos. This policy will be applied in accordance with the National Labor Relations Act and other applicable law.

5.26 ANTI-RECORDING

To protect confidential and proprietary information and to promote open communication, Associates are prohibited from recording conversations during work hours or after hours on any Company property, worksite, or while conducting Company business. This policy applies to the use of any audio or video recording device (including but not limited to cell phones and/or smart phones) without prior written approval from Associate's Division President or equivalent, and the consent of all parties to the conversation. The consent of the parties must be clear and obvious from the recording itself.

Any Associate determined to have violated this policy will be subject to disciplinary action, up to and including termination of employment. All copies of recordings prohibited by this policy shall be turned over to the Company and will remain the property of the Company.

Associates are also prohibited from electronically posting to any online site or forum, or otherwise distributing to any other person or party, any recording prohibited by this policy so long as such electronic posting or distribution does not constitute legally protected activity in its entirety. For any electronic postings or distributions made following the end of Associate's employment that are in violation of this policy and/or that divulge confidential or proprietary information, the Company will be damaged and the former Associate shall be obligated to immediately remove the post, and to pay to the Company \$25 for each separate individual "view" of such posting or distribution, representing liquidated civil damages due to the fact that actual damages in this context are difficult to determine.

This Policy is not to be interpreted in a way that interferes with any Associate's right to make a recording in states where one party recording is not legally prohibited and the Associate is engaging in legally protected activity under the National Labor Relations Act or other applicable law. One party recording means that only one party to the communication was aware that the communication was being recorded at the time it was made.

5.27 SOLICITATION AND DISTRIBUTION

The Company has strict rules prohibiting improper solicitation and distribution of literature by Associates and non-Associates. The Company has enacted these rules to keep Associates' working time free from non-work-related interference, to ensure that working areas are kept free from clutter and litter, and to ensure that non-employees attempting to solicit Company Associates or distribute literature to them respect applicable trespass laws.

Non-Associates may not solicit or distribute literature in the workplace at any time for any purpose without the express approval of Company management.

The Company recognizes that Associates may have interests in events and organizations outside the workplace. However, Associates may solicit in the workplace only during their nonworking time and the nonworking time of the person(s) being solicited. Nonworking time means time during meals and authorized breaks and before or after work.

Associates may distribute or circulate non-Company written materials only during nonworking time and only in non-work areas. If an Associate is uncertain whether an area is a work or non-work area, he or she should consult his or her immediate supervisor for clarification.

Solicitation or distribution connected with the sale of goods or services for profit is strictly prohibited anywhere in the workplace at any time.

In addition, the posting of written solicitations on Company bulletin boards is prohibited except with the express approval of Company management and must be consistent with Company email policies. If Associates have a message of interest to the workplace, they may submit it to the Regional Human Resources contact for approval. Approved messages will be posted by the Regional Human Resources contact or his/her designee, as appropriate.

This provision is not to be interpreted in a way that interferes with Associates' rights under the National Labor Relations Act or any other applicable federal, state or local law.

5.28 SOCIAL NETWORKING TECHNOLOGIES

Social media, professional networking sites, blogs, and personal websites can be useful marketing tools, and the Company encourages appropriate use of such technologies so long as done in accordance with this Policy.

This policy will not be construed or applied in a manner that interferes with employee rights under the National Labor Relations Act or any other applicable federal, state or local law.

Included Technologies

The term "Social Networking Technologies" includes, but is not limited to, the following types of technologies:

- Social networking sites such as Facebook, MySpace and ActiveRain
- Location-based social networking sites such as FourSquare
- Microblogging sites such as Twitter
- Professional networking sites such as LinkedIn
- News-aggregation sites such as Digg and Reddit
- Community sites such as Craigslist
- Video-sharing sites such as YouTube, Google Video, and Vine
- Photo-sharing sites such as Flickr and Instagram
- Podcasts or other online audio postings
- Personal and professional blogs and websites
- Online discussion groups or forums of any kind

This Policy applies to any use of Social Networking Technologies, regardless of whether such use is made on Company equipment, via Company systems, or during working hours. To ensure compliance with the Policy, the Company reserves the right to monitor Associates' use of Social Networking Technologies, including use of such technologies during nonworking time or personal time, as allowed by applicable law.

Permitted Use of Social Networking Technologies

While conducting Company business, Associates may make reasonable use of Social Networking Technologies for business purposes. Associates may not use Social Networking Technologies for personal reasons while conducting Company business. Associates should consult their Regional Human Resources Director if they are unsure whether a given use would qualify as having a business purpose. Associates' use of Social Networking Technologies must not interfere with their primary job responsibilities.

Identification with the Company

Associates must comply with Company policies and guidelines if endorsing, referring to, mentioning or suggesting the Company, or claiming to be a Company Associate or representative, during their use of Social Networking Technologies or any other website, in accordance with applicable law.

Associates may not post anything on the Internet in the Company's name, or in a manner that could reasonably be attributed to the Company, without prior approval from their Regional or Division President, equivalent at Company subsidiary, or the Director of Communications for the Company. Any social media accounts that have the Company or any Company affiliate in the title must be set up by the Company's Corporate Communications Department or equivalent at Company subsidiary and then the proper Associate within the Division or Region corporate office or equivalent at Company subsidiary

will be given Administrative rights to the site. Any social media accounts that 1) Associates create or are created for Associates; and 2) have Lennar or the Company in the title or otherwise depict the Company in any way (except merely stating that Associate was employed with Lennar or the Company, and the dates, job title and/or job duties of that employment), remain the property of the Company following termination of Associates' employment. Associates may not represent that any opinion or statement is the policy or view of the Company unless specifically authorized to do so by their Regional or Division President, equivalent at Company subsidiary, or the Director of Communications for the Company.

When Associates identify themselves as Company Associates or representatives, everything they do has the potential to reflect on the Company and its image. Associates must act and conduct themselves professionally, appropriately, and consistent with the Company's expectation of Associates at all times when they are identified as a Company employee or representative. This provision is not to be interpreted in a way that restricts Associates from engaging in legally protected activity, including but not limited to activity pertaining to the terms and conditions of employment.

Associates must not make anonymous or otherwise unidentified comments regarding the Company's products or services. Federal consumer protection regulations now prohibit Associates from commenting on their company's products or services without disclosing the employment relationship. Accordingly, whenever Associates endorse, refer to, mention, or suggest the Company or its products or services, Associates must include a statement that they are employed by the Company, such as "I am an Associate of Lennar. These are my own opinions and I am not a Company spokesperson."

The Company may, in its sole discretion, instruct Associates to remove from their use of Social Networking Technologies postings that violate this policy, in accordance with applicable law. Associates must immediately comply with any such requests and may be asked to provide proof that they have done so.

Once Associates leave the Company for any reason, Associates must remove from their use of Social Networking Technologies any and all references that represent or infer that they are a Company Associate or representative. Former Associates must not represent or allow an appearance that they are still employed by the Company. Additionally, at the request of the Company, Associates must fully cooperate with the Company in accessing all Social Networking Technologies over which Associates have access or control; and transferring ownership to the Company 1) all social media accounts that have Lennar or the Company in the title or otherwise depict the Company in any way (except merely stating that Associate was employed with Lennar or the Company, and the dates, job title and/or job duties of that employment); and 2) all other content relating in any way to the Company. Associates must also permanently delete or return to the Company any and all of the Company's proprietary and/or confidential information (e.g., sales statistics, JD Power scores, closing statistics, profitability statistics, etc.) that is stored on any personal device, including any backup copies and/or "cloud" storage.

Online Recommendations and Endorsements

Associates must not endorse and/or deprecate other companies' products or services on Social Networking Technologies or any other websites in any manner that reasonably could be attributed to the Company, whether such companies' products or services do or do not compete with the Company. Associates must not participate in online employee recommendations or endorsements of any kind.

Proprietary and/or Confidential Information

Associates must not divulge, discuss or refer to the Company's proprietary and/or confidential information (e.g., sales statistics, JD Power scores, closing statistics, profitability statistics, etc.) or any personal or private information of any customer or potential customer while using Social Networking

Technologies or any other websites. Associates must not refer to or identify a client, customer, partner, or supplier without permission. Associates who are unsure about what is confidential should consult their manager or the Legal Department before taking any action that could compromise the Company's proprietary and/or confidential information.

Accurate and Appropriate Use of Social Networking Technologies

Associates should be honest and accurate in their use of Social Networking Technologies or websites relating to the Company, and should promptly make corrections if they realize they have posted inaccurate information regarding the Company or that reasonably could be attributed to the Company. Associates should never post anything false about the Company, fellow Associates, clients, customers, partners, suppliers, or competitors. However, nothing in this policy prohibits legally protected communications regarding employees' terms and conditions of employment.

Associates must refrain from inappropriate behavior such as discriminatory remarks, harassment, threats of violence, or similar inappropriate or unlawful conduct while using Social Networking Technologies. In addition to refraining from any potentially unlawful conduct, Associates must avoid making online statements that reasonably could be viewed as obscene, offensive, harassing, threatening, bullying, or intimidating, or those that disparage clients, customers, fellow Associates, partners or suppliers. Examples of prohibited conduct include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policy.

Terms of Service

Associates are responsible for reading, knowing, and complying with the Terms of Service for any Social Networking Technologies they use.

Copyright and Fair Use Laws

Associates must recognize the potential professional and legal consequences of any failure to follow applicable laws governing copyright, fair use of copyrighted material owned by others, trademarks and other intellectual property, including the Company's own copyrights and trademarks.

Use of Product Information

The Company requires that all information used to promote our products or services (e.g., photographs of homes, sales information, etc.) be reviewed carefully at the division or regional level to ensure compliance with RESPA and other applicable laws. For example, references to sales prices must include a link showing the actual sales price of the home on Lennar.com. Associates must comply with the Company's Advertising Disclaimer Protocol. Any questions about promoting the Company's products or services should be referred to division or regional level management.

Violations of Social Networking Technologies Policy

Failure to comply with the above guidelines constitutes a violation of Company policy and may subject Associates to disciplinary action, up to and including termination of employment, and/or legal action by the Company. Any questions about this Policy or of the applicability of this Policy to a particular situation should be referred either to the Associate's Regional Human Resources Director or the Corporate Communications Department. Reports of violations or potential violations of this policy must be made to the Associate's Regional Human Resources Director or the Corporate Communications Department. All reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately. Under no circumstances will an Associate who in good faith reports alleged violations of

this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

5.29 GOVERNMENT INVESTIGATIONS AND REQUESTS FOR INFORMATION

The purpose of this policy is to provide basic guidance in responding to governmental investigations, inquiries, requests for information, requests for interviews and requests for oral or written statements under which information related to the Company is sought (collectively "governmental requests"). As an initial matter, the Company will fully comply with its legal obligations under all applicable laws, rules and regulations of federal state and local governments and regulatory agencies in responding to legally enforceable governmental requests. In doing so, the Company will adhere to its high standards of honesty, integrity and ethics in complying with its legal obligations while respecting the interests of the Company and its Associates, customers and trade partners.

To determine whether a governmental request is legally enforceable and to insure proper handling of the governmental request, Associates are requested to immediately contact the Lennar Corporation Legal Department by contacting Lennar Corporation's General Counsel Mark Sustana at 305-229-6584 or mark.sustana@lennar.com or Lennar's Associate General Counsel Danette Alfonso at 305-229-6474 (or her cell: 305-205-0011) or danette.alfonso@lennar.com upon receipt of the governmental request, and refer the matter to them for future handling. Associates should also immediately contact their supervisor.

A governmental request could take the form of a letter, email, telephone call or in-person visit, and could come from many different government or law enforcement investigative bodies including:

- the Department of Labor ("DOL") or similar state or local agencies;
- the Equal Employment Opportunity Commission ("EEOC") or similar state or local agencies;
- the Federal Bureau of Investigations ("FBI");
- the National Labor Relations Board ("NLRB");
- the U.S. Department of Justice ("DOJ");
- State Attorney General and/or grand jury;
- the U.S. or state Occupational Safety and Health Administration agencies ("OSHA") or any similar state agency;
- The Department of Housing and Urban Development;
- The Environmental Protection Agency;
- Immigration and Customs Enforcement ("ICE" – formerly "INS"); or
- any other government authority.

If OSHA visits a site or makes inquiries, in addition to following the procedures outlined herein, please refer to the [Company's Injury, Illness and Prevention Program, sections 4B and 4C](#), and contact Rhonda Mosely, Director of Risk Management, at (305) 632-3420.

Associates who are contacted by a governmental body making a governmental request (at any location including at work or at home) are asked to obtain the credentials (including the agency) of the person making the request including a business card and contact information; and to provide this information to one of the counsel identified above.

Associates who are contacted by a representative of a governmental body making a governmental request also have a number of legal rights, including the following:

- 1) To decline the interview;

- 2) To tell the representative that the Company's Legal Department will be contacted to handle responding to the request;
- 3) To inform the Company Legal Department prior to giving the interview;
- 4) To take notes of the exchange with the representative and forward them to the Company's Legal Department.
- 5) To speak to the Company's counsel or an attorney of the Associate's choosing prior to the interview, and to have an attorney present for the interview;
- 6) To have the interview at the time and place of the Associate's choosing;
- 7) To discontinue the interview at any time; and
- 8) To know that any statements made by the Associate may be used against the Company or against the Associate in any civil or criminal legal proceeding.

DO NOT consent to any search of any Company site, facility, or office by a government agent without a search warrant and without the Company's legal counsel present.

If an authorized government representative has a search warrant, the Associate should immediately contact the Corporate Legal Department and the most senior Company manager or Associate who is immediately available to address the matter with the agent(s) conducting the search. Associates shall not obstruct the search but shall seek to obtain help from the persons mentioned herein immediately.

If the Inspectors have a search warrant related to any Company facility:

1. CALL COUNSEL (LISTED ABOVE) IMMEDIATELY.
2. Criminal searches must be carried out at reasonable times - search warrants may be executed at night only upon a showing of necessity.
3. If the agents plan to take business documents, ask to make copies before the records are taken.
4. Request an inventory or receipt of what was seized.
5. Videotape the search if possible; mirror the inspectors' video, if any.
6. Take photographs of the search; mirror the inspectors' photographs, if any.
7. If the inspectors sample, ask them for a "split" sample (a duplicate sample). If they refuse to give split samples, then take a sample from the exact spot where they took a sample.
8. Memorialize everything carefully and accurately.
9. DO NOT consent to any search beyond the four corners of the search warrant document itself.

ICE agents may visit construction sites seeking information on the status of on-site workers. If this happens, remember:

- Many of the laborers on our sites are employees of our subcontractors, or temporary agencies, NOT THE COMPANY.

- Since these laborers are not Company Associates, we have no information on their legal status, and we WILL NOT SPECULATE.
- All inquiries concerning laborers who are not Company Associates should be directed to the subcontractor or temporary agency that employs them. Also, contact the Company's Legal Department as soon as possible, following any such inquiry.

NOTE: This Notice **DOES NOT APPLY** to ROUTINE ENVIRONMENTAL INSPECTIONS or other inspections of a routine nature (e.g. visits from local building inspectors, etc.)—consult your Company Environmental Management System protocol for direction on dealing with storm water, air quality, and other routine field environmental inspections.

Requests by private plaintiff or defense attorneys or private attorneys not representing the Company should be referred immediately to the Corporate Legal Department.

This policy shall not restrict the legal rights of any Associate to communicate directly with governmental agencies or to engage in protected or concerted activity in connection with the National Labor Relations Act or other applicable law. This policy does not restrict Associates or their attorneys from initially communicating directly with, or responding to an inquiry from, or providing testimony before any self-regulatory organization or state or federal regulatory authority regarding Associate's employment or any related facts or circumstances. Associates are not required to contact the Company regarding the subject matter of such communications before engaging in such communications.

Various records retention programs have been established for many purposes, and they are specifically important in the context of investigations and litigation and should be followed. Destruction of pertinent records after an investigation has commenced or during the pendency of criminal charges may itself be a criminal offense. Even in civil litigation, destruction of pertinent records can result in the application of severe sanctions, including, but not limited to, contempt.

5.30 INVENTIONS & WORKS

"Inventions" means discoveries, concepts, and ideas developed in whole or in part during an Associate's employment with the Company whether patentable or not, including, but not limited to, apparatus, processes, methods, compositions of matter, techniques, and formulae, as well as improvements thereof or know-how related thereto, relating to any present or prospective product, process, or service of Company upon which or with which an Associate works or about which an Associate acquires confidential information. All Inventions made or conceived by an Associate, either solely or jointly with others, in the course of (in whole or in part) Associate's employment with the Company shall become and remain the exclusive property of the Company, whether patentable or not, and such Associate must, without royalty or any other consideration:

- Inform Company promptly and fully of such Inventions by written reports, setting forth in detail the procedures employed and the results achieved;
- Assign to Company all of Associate's rights, title, and interests in and to such Inventions, any applications for United States and foreign Letters Patent, any United States and foreign Letters Patents, and any renewals thereof granted upon such Inventions and any continuing prosecutions, continuations, continuations-in-parts, divisions, or reissues thereof;
- Assist Company or its nominees, at the expense of Company, to obtain such United States and foreign Letters Patent for such Inventions as Company may elect; and
- Execute, acknowledge, and deliver to Company at Company's expense such written documents and instruments, and do such other acts, such as giving testimony in support of Associate's

inventorship, as may be necessary in the opinion of Company, to obtain and maintain United States and foreign Letters Patent upon such Inventions and to vest the entire rights, title and interests thereto in Company and to confirm the complete ownership by Company of such Inventions, and United States and foreign patent applications and patents.

“Works” means works of authorship fixed in any tangible medium of expression, in whole or in part, by an Associate in the course of or resulting from Associate’s employment with the Company including but not limited to, flow charts and computer programs, source code and object code, regardless of the medium in which it is fixed, notes, drawings, memoranda, correspondence, documents, records and notebooks. All Works created shall be and remain exclusively the property of Company. Each such Work created by an Associate is a “work made for hire” under United States copyright law and Company may file applications to register copyright in such Works as author and copyright owner thereof. If, for any reason, a Work created by an Associate is excluded from the definition of a “work made for hire” under United States copyright law, then Associate shall and does hereby assign, sell, and convey to Company the entire rights, title, and interests in and to such Work, including the copyright therein, and Associate will ensure that any such Associate does the same. Associate represents and warrants that Associate will require each Associate to execute any documents which Company deems necessary in connection with the assignment of such Work and copyright therein. Associate will take whatever steps and do whatever acts Company requests to secure or aid in securing copyright protection in such Works and Associate will assist Company or its nominees in filing applications to register claims of copyright in such Works.

Company shall have free and unlimited access at all times to all Works and all copies thereof and shall have the right to claim and take possession on demand of such Works and copies.

Associate shall execute, acknowledge, and deliver to Company, at Company’s expense, such written documents and instruments and such other acts as may be necessary in the opinion of the Company to vest the entire rights, titles, and interests in and to Works created by an Associate, including the copyright therein and to confirm the complete ownership thereof by Company.

Copying of Works. Associate will not reproduce, distribute, display publicly, or perform publicly by any means (including but not limited to digital transmission), alone or in combination with any other works of authorship, any Works without the written permission from Company to do so. Further, Associate will not prepare derivative works based upon any Works without the written permission from Company to do so.

5.31 DATA PRIVACY POLICY

The Company collects personal data from Associates to conduct business and comply with government regulations (employment, tax, insurance, etc.). The type of data collected depends on employment responsibilities, location of employment, and other business factors and Company obligations. Such data may include, but is not limited to, name, user ID, phone numbers, email address, mailing addresses, banking and other financial data, government identification numbers, driver’s license, , date of birth, gender, race, ethnicity, criminal background, health and family-related data (*i.e.*, marital status, personal and health-related data on family members, etc.), and any other data related to an Associates’ employment with the Company. By virtue of an Associate’s employment with the Company, Associate explicitly consents to the storage, destruction, processing, disclosure, and/or any other use of the personal data collected by the Company or any third-party vendor in accordance with applicable law.

Examples of when such disclosures will occur include, but are not limited to: legal requests, internal or external investigations to comply with any statute, law, rule or regulation of any governmental authority or any order of any court of competent jurisdiction, in conjunction with third-party service providers and

their agents, obtaining credit cards, processing compensation and other payroll or human resource functions, providing Associate benefits, performing and providing other professional services or as otherwise needed for business purposes.

The retention and destruction of an Associate's personal data will be governed by the Company's Document Retention Policy and/or by the document retention policies of third-party vendors.

STATES – POLICIES & GUIDELINES

ARIZONA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Arizona state law prohibits discrimination on basis of national origin, race or color, religion, age (40 and over), disability, sex (including pregnancy), or genetic test results.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.10 TERMINATION OF EMPLOYMENT

Arizona law requires employers to pay any unpaid wages earned to Associates whose employment is terminated involuntarily within seven (7) working days or by the end of the next pay period, whichever is sooner. However, Associates who voluntarily terminate employment will receive unpaid wages on the next regular payday for the period in which the termination occurs, by mail if requested by the employee.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Witness/Jury Duty Leave

Associates may take time from work to respond to a jury duty summons, respond to a subpoena to serve as a witness in a civil or criminal proceeding, or to attend a criminal proceeding they may otherwise have a right to attend. Associate must provide the Company with 48 hours' notice (if able) and documentation to support time off from work.

Victim of Crime Leave

State law allows Associates who are victims of a crime to take unpaid time off to deal with issues relating to legal proceedings, health matters and to obtain or attempt to obtain injunctive relief to ensure the health, safety, or welfare of the Associate and/or Associate's children. Associates are required to substitute their accrued or earned vacation, personal, or sick time for leave taken under this statute. Associates must report their need for leave to the Company's Leave of Absence Department. Contact information can be found on the Lennar Portal. Associates must provide appropriate documentation as required by the Company's leave of absence policies and/or the statute.

4.5 VOTING

Associates in Arizona may be granted 3 consecutive hours to vote at the beginning or end of the work day if the Associate does not have 3 consecutive non-working hours at the beginning or end of the work day to vote. The Associate must request time off to vote no later than the day before the election. An Associate's salary or wages will not be affected by requesting such time off to vote.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

Leave to Attend Military Training

An Associate who is a member of the National Guard or military reserve may be eligible to take up to 15 days of leave in each calendar year to receive military training with the armed forces of the United States. Such leave may be paid, or partially paid, in accordance with this Associate Resource Guide.

To be eligible for this leave, the Associate must contact the appropriate department as described in the Leave of Absence section 90 days prior to the date of departure. The Associate must provide documentation of the date of departure and date of return for the military training. Upon release from training, the Associate must immediately notify his or her division or department manager and must provide evidence of the satisfactory completion of the training.

Associates who return to work from an approved Military Training Leave within the time frame allowed by Arizona law will be returned to their job or an equivalent position, without loss of seniority or benefits.

Return from Active Duty in National Guard

An Associate who is a member the Arizona National Guard and is ordered to duty by the governor, or who is a member of the National Guard of another state and is called into active duty by that state's governor, may take leave for the term of service. Such leave may be paid, or partially paid, in accordance with this Associate Resource Guide.

If the Associate is still qualified to perform the duties of the position he or she held at the time of the order to duty, the Associate will be restored to that position or one of like seniority, status and pay. If the Associate is not qualified to perform the duties of that position (due to a disability sustained during the period of duty) but is qualified to perform the duties of another position, then the Company will offer the Associate the position for which he or she is qualified that is most similar to the Associate's former position in seniority, status and pay.

An Associate who returns to employment after active duty in a state's National Guard will not be discharged without cause, including for violation of Company policy or law or for other cause as determined by the Company, within one year after his or her return.

5.7 SUBSTANCE ABUSE**SUBSTANCE ABUSE TESTING POLICY**

To meet its commitment to provide a safe working environment for all employees, promote the highest standards of employee health and productivity, and protect the Company's reputation in the community, the Company has implemented a drug and alcohol impairment testing policy. The goal of this policy is to maximize safety and productivity in the workplace while preserving the privacy and dignity of employees.

- Individuals Subject to Testing: Company management, in addition to non-management Associates are subject to testing for alcohol and illegal drugs on a periodic basis regardless of race, color, religion, national origin, gender, sexual orientation, age, military status, pregnancy, or disability.
- Acknowledgement and Consent Form: All employees must sign an Acknowledgement and Consent form as well as any other documents reasonably required by the designated testing facility.
- Circumstances under which Testing may be Required:
 - Post-Accident: An employee may be required to submit to a drug and/or alcohol impairment test (which will be administered as soon as practicable following the accident) when the Company has a good faith belief that the employee, while on the Company's premises or during the hours of employment:
 - Was involved in or contributed to an accident that resulted (or could have resulted) in an injury to the employee or another person; or
 - Was involved in or contributed to an accident that caused (or could have caused) equipment or material damage or loss.

Employees who have been required to submit to a drug and/or alcohol impairment test as a result of an accident will not be allowed to return to work until the results of the drug and/or alcohol test become available to the Company.

- Reasonable Suspicion/For Cause: Testing for "reasonable suspicion" or "for cause" may occur:
 - When the Company has a good faith belief that an employee has consumed, used, possessed, sold, manufactured and/or transported illegal drugs;
 - When the Company has a good faith belief that an employee may be impaired by the use of drugs and/or alcohol while on the Company's premises or during the hours of employment. If the Company has a good faith belief that an employee may be impaired by the use of drugs and/or alcohol, one of the employee's supervisors will transport the employee to the designated testing facility;
 - For the maintenance of safety for employees, customers or the public at-large; or

- For the maintenance of productivity, quality of service or security of property or information.
- Return To Duty: An employee who tests positive for drugs, but whose employment is not terminated in accordance with this policy, may be required to submit to a return-to-duty test to ensure that the employee is not impaired while on the Company's premises or during the hours of employment. Periodic follow-up tests also may be conducted in connection with a counseling or rehabilitation program. This provision does not preclude the Company from terminating an employee who tests positive for illegal drugs or alcohol impairment, or who used, possessed, or was impaired by drugs on the Company's premises or during the hours of employment without proper authorization.
- Random Testing: From time to time, the Company may require employees or groups of employees to undergo a drug test on a random or chance basis.

Testing Methods and Collection Procedures:

- Scheduling of Tests: Drug and/or alcohol impairment testing will occur during, or immediately before or after, a regular work period. The testing will be deemed working time for purposes of compensation and benefits for employees of the Company.
- Testing Costs: The Company will pay the actual costs for drug and alcohol impairment testing of employees. The Company will pay the reasonable transportation costs incurred by employees if their testing occurs at a location other than their normal work site. The testing will be on Company time and is mandatory.
- Testing Procedures: Generally, the method of testing for drugs and alcohol impairment will be urinalysis. A blood test may be used if for any reason the employee cannot provide a urine sample, for example, if the individual is unconscious.
- Testing Conditions: All sample collection and testing for drugs and alcohol impairment will be performed according to the following conditions:
 - The collection of samples will be performed under reasonable and sanitary conditions. The Company may designate an appropriate laboratory to conduct the testing in its discretion at any time.
 - Sample testing will comply with scientifically accepted analytical methods and procedures. Drug testing will be conducted at a laboratory approved or certified by the United States Department of Health and Human Services, the College of American Pathologists or the Department of Health Services.
 - Sample collections will be documented and subject to the following procedures:
 - The person being tested must present reliable individual identification to the person collecting samples, and has the right to provide notification of any information that may be considered relevant to the test, including identification of currently or recently used prescription drugs or over-the-counter drugs or other relevant medical information.
 - Samples will be labeled in order to reasonably preclude the possibility of misidentification of the person tested in relation to the test result provided.

- Sample collection, storage and transportation will be performed in a manner reasonably designed to preclude the possibility of sample contamination, adulteration or misidentification.
- Confirmation: Any positive drug test results for employees will be confirmed by use of a different chemical process than was used during the initial drug test. The second or confirmatory drug test will use a chromatographic technique such as gas chromatography-mass spectrometry or another comparably reliable analytical method.
- Positive Tests: A drug test will be considered positive when the screening levels established by the testing laboratory are exceeded. Information regarding the screening cutoff levels for various drugs will be made available upon request. An alcohol impairment test will be considered positive when an employee's blood alcohol level exceeds 0.04%.

Confidentiality of Results; Access to Records: Information and records relating to test results will be kept confidential to the extent required by law. The Company will designate a Company representative to receive all test results. The Company's representative will notify only the employee of the test results as well as any other supervisor or manager of the Company with a need-to-know. The Company will not release any information regarding the test results outside of the Company without the written consent of the individual tested, except as otherwise authorized or required by law.

Access/Explanation: The tested employee has the right, upon request, to obtain the written results of any tests conducted on that individual, subject to any confidentiality of other individuals. Employees that have a positive test result will have the opportunity, upon request, to explain the positive test result in a confidential setting.

Disciplinary Consequences

Use or Possession: If an employee consumes, uses, possesses, sells, manufactures, and/or transports illegal drugs (including cannabinoids/marijuana) or alcohol (except as otherwise permitted by this policy) on the Company's premises or during the hours of employment, the Company will immediately terminate the employee's employment.

Refusal to Participate in Testing or Tampering with a Test: If an employee refuses to sign the requisite Acknowledgement and Consent form, refuses to participate in drug and/or alcohol impairment testing, or attempts to alter or invalidate a test, the Company will immediately terminate the employee's employment.

Positive Test for Drugs and/or Alcohol Impairment: If an employee tests positive for drugs and/or alcohol impairment, the Company will discipline the employee, and may terminate the employee's employment, unless the employee reasonably demonstrates that he/she was legally authorized to use the drugs and/or alcohol resulting in the positive test and was not impaired by such drugs while on the Company's premises or during the hours of employment.

The Company retains sole discretion to discipline any employee who tests positive for drugs and/or alcohol impairment, up to and including terminating the employee's employment, in accordance with this policy and applicable law. The Company retains sole discretion to require an employee who tests positive for drugs and/or alcohol impairment, and who cannot reasonably demonstrate that he/she was legally authorized to use such drugs and/or alcohol, to enroll in, and successfully complete, an approved rehabilitation, treatment and/or counseling program (at the employee's expense), which may include additional drug and/or alcohol impairment testing, as a condition of continued employment with the Company.

General Provisions

No Tests for other Substances or Conditions: Except as otherwise permitted by law, no sample taken for testing will be tested for any substance or condition except drugs and/or alcohol.

At-Will Employment: Employment at the Company is at-will and may be terminated by the employee or by the Company at any time, with or without cause. Nothing in this policy is intended to affect the at-will nature of an employee's employment with the Company.

Compliance with Statute: This policy is intended to comply with the requirements of Title 23 of the Arizona Revised Statutes Chapter 2, Article 14, Title 36 of the Arizona Revised Statutes Chapter 28.1, and any other laws applicable to maintaining a drug and alcohol free workplace.

Reservation of Rights: The Company reserves the right to amend, change or discontinue this policy at any time.

Distribution

This Drug and Alcohol Free Workplace Policy is distributed to all employees of the Company.

Arizona Medical Marijuana Act

Under the Arizona Medical Marijuana Act, employers may not discriminate against a person solely because he/she is a registered medical marijuana patient. Employers also may not penalize registered patients solely for testing positive for marijuana in drug tests, although the law *does not* authorize registered patients to use, possess, or be impaired by marijuana on Company premises or during the hours of employment.

5.13 POLYGRAPH TESTING

Arizona law limits the use of polygraph tests as a condition of employment or continued employment.

CALIFORNIA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

California law prohibits employment bias on the basis of race, religious creed (including religious dress and grooming practices), ethnicity, color, ancestry, age (40 and over), genetic information, disability (mental and physical, including HIV and AIDS), medical condition (cancer/genetic characteristics & information), national origin (including language use restrictions), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender (including gender identity and gender expression), sexual orientation, marital status, familial status, parental status, domestic partner status, citizenship status, pregnancy (including perceived pregnancy, childbirth, breastfeeding or related medical conditions), military caregiver status, military status, veteran status, denial of Family and Medical Leave, or any other status protected by federal, state, or local law. Employers are prohibited from asking for the results of genetic tests, coding application forms on the basis of a prohibited characteristic, asking for photographs prior to employment, or asking for criminal records as a condition of employment. State law also bans the use of AIDS research records in employment decision-making. California law also prohibits discrimination on the basis of participation in lawful activity off the Company's premises during nonworking hours.

Certain local ordinances, such as the Los Angeles AIDS-Based Discrimination municipal ordinance, prohibits discrimination based on a person suffering from the medical condition AIDS, or any medical signs or symptoms related thereto, or any perception that a person is suffering from the medical condition AIDS whether real or imaginary.

Furthermore, the Company strictly prohibits and does not tolerate any act or conduct by any Company employee that creates the potential for unlawful harassment of any kind. It is the Company's policy that everyone should work in an environment free from unlawful harassment. The Company's anti-discrimination and anti-harassment policies also apply to our interactions with third parties, as required by law, including but not limited to vendors, suppliers and trade partners.

Approval of, participation in, or acceptance of conduct that creates even the potential for unlawful harassment will be considered a violation of this policy. This policy prohibits conduct that violates the letter or spirit of anti-harassment laws or conduct not aligned to the Company's values, policies, or behavioral expectations. This includes conduct in any work-related setting, whether on Company premises, during working time, or while participating in activities outside the workplace such as business-related social events and travel.

Conduct prohibited by this policy includes, but is not limited to, unwelcome conduct, whether verbal, physical, or visual, that is based upon race, religious creed (including religious dress and grooming practices), ethnicity, color, ancestry, age (40 and over), genetic information, disability (mental and physical, including HIV and AIDS), medical condition (cancer/genetic characteristics & information),

national origin (including language use restrictions), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender (including gender identity and gender expression), sexual orientation, marital status, familial status, parental status, domestic partner status, citizenship status, pregnancy (including perceived pregnancy, childbirth, breastfeeding or related medical conditions), military caregiver status, military status, veteran status, denial of Family and Medical Leave, or any other status protected by federal, state, or local law. The Company will not tolerate such harassing conduct that affects tangible job benefits, interferes with work performance, or creates a hostile, intimidating, or offensive work environment.

Associates are encouraged to immediately report any incident of harassment or discrimination based on a protected characteristic to their supervisor or any other supervisor, the Regional Human Resources Director, or the Chief Human Resources Director. Associates are not required to report to their supervisor or any other person engaging in the unwelcome behavior if that supervisor or other person is the subject of the report.

Supervisors or managers who receive reports or observe harassing conduct must immediately report it to the Human Resources Department.

When the Company receives a complaint of harassment (or other conduct prohibited by this policy), Human Resources will conduct a fair, timely, and thorough investigation of the allegation that provides all parties appropriate due process and reaches reasonable conclusions based on the evidence collected. The investigation will be conducted in such a way as to maintain confidentiality to the extent practicable under the circumstances. Human Resources will reasonably document and track the progress of their investigation and when it is completed, it will, to the extent appropriate inform the person filing the complaint and the person alleged to have committed the conduct of the results of that investigation. If it is determined that inappropriate conduct has occurred, appropriate remedial measures will be taken.

Retaliation against an Associate who in good faith reports alleged incidents of discrimination or harassment, or who cooperates in any investigation or proceeding related to this policy, is strictly prohibited and shall constitute a violation of this policy. Associates should be aware that the federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing ("DFEH") investigate and prosecute complaints of prohibited harassment in employment, including sexual harassment. Associates who think they have been harassed or that they have been retaliated against for resisting or complaining may file a complaint with the appropriate agency. The address of the nearest office is listed in the telephone book and on the agencies' websites. If the DFEH finds that unlawful harassment has occurred, it may award the harassed employee back pay and damages for emotional distress.

Religious Dress

The Company does not discourage or prohibit Associates from observing religious dress or grooming practices. Religious dress practices include the wearing or carrying of religious clothing, head or face coverings, jewelry, artifacts, and any other item that is part of the observance by an individual of his or her religious creed. Religious grooming practices include all forms of head, facial, and body hair that are part of the observance by an individual of his or her religious creed.

If you believe that you require an accommodation for a religious dress and/or grooming practice, please contact Human Resources. The Company reserves the right to deny an accommodation request if the requested accommodation would cause the Company undue hardship or jeopardize health and safety.

San Francisco's Nondiscrimination in Contracts Laws

For Associates in San Francisco, the San Francisco Municipal Code prohibits discrimination against any Associate, City or County working with an Associate, or applicant for employment on the basis of the fact or perception of that person's race, color, creed, religion, ancestry, national origin, age, sex, sexual orientation, gender identity, domestic partner status, marital status, disability, weight, height, AIDS/HIV status, association with members of protected classes, or in retaliation for opposition to any discriminatory or forbidden practices.

This includes San Francisco's Domestic Partner Benefits Ordinance which prohibits employers who contract with the City or County of San Francisco from discrimination in Associate benefits based on marital and domestic partner status and, as applicable, requires that the domestic partners of Associates be provided benefits equal to those offered to spouses of Associates.

2.4 PAY POLICIES

California law requires the payment of overtime at the rate of 1 ½ times the regular rate of pay for hours worked in excess of either 8 hours per day or 40 hours per workweek or on the 7th consecutive day worked in the workweek. Furthermore, California requires double time pay for work over 12 hours on a normal workday and for work over 8 hours on the 7th consecutive day worked in a workweek. Workday varies from Division to Division and job classification. Associates should consult with their immediate supervisor regarding schedule. Workweek begins Saturday 12:00 am and ends on Friday at 11:59 pm.

California Associates are compensated in accordance with relevant state and local laws, including, but not limited to:

- Minimum Wage laws: Associates are entitled to earn at least the minimum wage in accordance with applicable state and local law.
- Prevailing Wages: Associates working on certain government-funded contracts must be paid prevailing wages.
- San Francisco's Minimum Compensation Ordinance ("MCO"): Provides generally that San Francisco contractors provide Covered Associates working in San Francisco: (a) no less than the MCO hourly wage in effect; (b) 12 paid days off per year (or cash equivalent); and (c) 10 days off per year without pay per year. Time off is provided on a pro rata basis for part-time Covered Associates. Please consult with the Corporate Benefits Office for further information regarding the MCO. .
- Equal Pay Act: The Company will provide equal pay to both men and women performing substantially similar work, when viewed as a composite of skill, effort, and responsibility, and performed under similar working conditions.

Meal and Rest Period Policy

It is the policy and practice of the Company to provide all non-exempt California Associates with one unpaid, duty-free, uninterrupted meal period of at least 30 minutes for each five hours of work. In addition, all Non-exempt Associates are authorized and permitted to take at least one 10-minute rest period for each four hours of work (or major fraction thereof). The specifics of the Company's meal and rest period policy are as follows:

A. Meal Periods

- Associates who work a shift of less than five hours need not take a meal period.
- Associates who work a shift of between five and six hours MUST either (1) take a full 30 minute, off-duty, uninterrupted meal period, or (2) complete and turn-in a meal period waiver form.

- Associates who work a shift of between six and ten hours MUST take a full 30 minute, off-duty, uninterrupted meal period.
- Associates who work a shift of ten or more hours are entitled to take two full 30 minute, duty free, uninterrupted meal periods. An Associate may voluntarily waive the second meal period ONLY if all of the following circumstances exist: (1) the Associate took a full 30 minutes for the first meal period, (2) the Associate completes and turns in a meal period waiver form, and (3) the employee does not work more than 12 hours in that workday.
- Associates may not perform any work during meal periods.
- Associates may leave Company premises during meal periods.
- Associates should not spend meal periods at their work stations and/or desks, but should leave Company premises, use provided meal and break areas, or otherwise use the meal time to get away from their work stations.
- Any Associate who is instructed to work through a meal period or otherwise misses a meal period should immediately contact Regional Human Resources.
- Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods. Under no circumstances may a non-exempt Associate work while reported out for a meal period.

B. Rest Periods

- Non-exempt Associates are entitled to take one ten minute rest break for each four hours of work (or major fraction thereof).
- Rest breaks should be taken as near to the middle of each four hour work period as practicable.
- Rest breaks cannot be taken at the beginning or end of a shift or to lengthen a meal period.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

C. Recovery Breaks

To prevent heat-related illness, on any day where the temperature is 85° or above the Company will provide at least five minutes for any Associate working outside who is believed to be suffering from a heat-related illness or who indicates that they need a cooldown period to protect themselves from overheating. A recovery break under this policy is in addition to regularly scheduled meal and rest breaks, and should only be taken as needed to prevent heat-related illness.

2.10 TERMINATION OF EMPLOYMENT

California law requires employers to pay unpaid wages earned immediately upon termination of employment, when termination is involuntary. If termination is voluntary, all earned wages must be paid within 72 hours after termination, unless the Associate gave 72 hours prior notice of his/her intention to quit, in which case all earned wages must be paid at the time of quitting. This includes accrued but unused vacation time. Earned but unused vacation represents those vacation days that have been earned but have not been taken at the time of employment termination or resignation. Vacation hours for California Associates accrue daily. Vacation time earned cannot be forfeited upon termination.

3.5 THE COMPANY BENEFITS PROGRAM

San Francisco

The Company provides health care benefits in accordance with San Francisco's Health Care Security Ordinance for all Associates who work 8 or more hours per week in San Francisco.

In addition, Associates working in San Francisco who qualify as "Covered Associates" under San Francisco's Health Care Accountability Ordinance are provided with benefits in accordance with the Ordinance.

Please contact the Corporate Benefits Department for more details.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

California Family Rights Act Leave

The Company's leaves of absence policies are subject to the terms and conditions of the California Family Rights Act (CFRA) law. With few exceptions, Associates on CFRA Leave are entitled under this law to return to their same job or a job with equivalent duties, responsibilities and pay immediately upon completion of the leave.

For more information on leaves of absence under CFRA, see the Family and Medical Leave Act section below.

Leave for Educational/Daycare Purposes

Associates will be granted time off without pay for up to 40 hours per calendar year, but no more than eight (8) hours in any calendar month, to (1) participate in school/day care facility-related activities of their children; (2) find, enroll or reenroll a child in a school or with a child care provider; (3) or address a child care provider or school emergency, provided the following criteria are met. Associates must substitute accrued vacation for purposes of a planned absence under this section. If a non-exempt Associate has insufficient accrued vacation, the time off will be unpaid.

Associates wishing to take time off under this section must provide their supervisors with reasonable notice of the planned absence and complete a Time-Off Request Form. If both parents of a child are employed by the Company at the same worksite, the request for time off will be granted to the first parent to provide notice. The request from the second parent will be accommodated if possible.

Leave for School Appearance

Associates will be granted time off without pay to appear in the school of a pupil at the request of the school. Associates may substitute accrued vacation for purposes of an absence under this section. If a non-exempt Associate has insufficient accrued vacation, the leave will be unpaid.

Domestic Violence/ Sexual Assault Victims Leave

State law allows Associates who are victims of domestic violence, sexual assault, or stalking to take time off from work to obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of himself/herself or his or her child(ren), to seek medical attention for injuries caused by domestic violence/sexual assault, to obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence or sexual assault, to obtain psychological counseling related to

an experience of domestic violence or sexual assault, or to participate in safety planning, and to take other actions to increase safety from future domestic violence or sexual assault, including temporary or permanent relocation.

State law provides that employers must provide reasonable accommodation to victims of domestic violence, sexual assault, or stalking, such as implementation of safety measures or procedures. These measures may include, but are not limited to, a transfer, reassignment, modified schedule, changed work telephone, changed work station, installed lock, or assistance in documenting domestic violence, sexual assault, or stalking that occurs in the workplace.

Associates may substitute accrued vacation for purposes of an absence under this section. If an Associate has insufficient accrued vacation, the leave will be unpaid.

Associates must give their supervisors reasonable advance notice of their intentions to take time off for these purposes by contacting the appropriate department as described in the Leave of Absence section, unless advance notice is not feasible. If an unscheduled absence occurs, the Associate, within a reasonable time after the absence, must provide certification, as defined by law, to the Company that he/she qualifies for domestic violence/sexual assault leave.

State law prohibits discrimination or retaliation against employees on the basis of their status as a victim of domestic violence, sexual assault, or stalking, so long as the employee provides notice to the employer of his or her status as a victim of one of these crimes or the employer has actual knowledge of this status.

Witness and Crime Victim Leave

State law allows Associates who are victims of certain crimes, immediate family members of a victim, registered domestic partners of a victim, or the children of a registered domestic partner of a victim to take unpaid time off to attend judicial proceedings relating to a crime. It also allows Associates who are witnesses or victims of a crime time off to appear in court to comply with a subpoena or court order as a witness in any judicial proceeding. Associates must substitute accrued vacation for purposes of an absence under this section. If an Associate has insufficient accrued vacation, the leave will be unpaid.

An Associate taking Witness or Crime Victim Leave must give his/her supervisor reasonable advance notice of the Associate's intention to take time off for these purposes by contacting the appropriate department as described in the Leave of Absence section and providing the Company with a copy of the notice of the scheduled proceeding, unless advance notice is not feasible. If an unscheduled absence occurs, the Associate, within a reasonable time after the absence, must provide the required documentation to the Company.

Leave for Military Spouses or Registered Domestic Partners

State Law allows Associates who work an average of at least 20 hours per week and whose spouses or registered domestic partners are on active duty for the United States Armed Forces, National Guard, or Army Reserves, in an area of military conflict, to take ten (10) days of unpaid leave during the period that his or her spouse or registered domestic partner is on leave from deployment. The Associate may substitute sick or vacation leave for any unpaid days of leave, but is not required to do so. The Associate is required to give the Company at least two (2) business days notice upon receiving official notice that the spouse or registered domestic partner will be on leave from deployment. Associates taking this leave are required to contact the appropriate department as described in the Leave of Absence section and provide written documentation certifying that the qualified member will be on leave from deployment during the time the leave is requested, as well as any other documentation required by the Company's leave of absence policies.

California Pregnancy Disability Leave

The Company complies with the requirements of the Pregnancy Disability Leave Law. For more information on leaves of absence under the Pregnancy Disability Leave Law, see the Pregnancy Related Disabilities section below.

Leave for Organ Donors

State law allows qualifying Associates to take a leave of absence with pay, not exceeding 30 days, for the purpose of organ donation, and not exceeding 5 days for bone marrow donation, as prescribed. This leave will not run concurrently with FMLA or CFRA leave. State law requires an employer to restore a person returning from leave for organ or bone marrow donation to the same or an equivalent position held by the Associate when the leave began. Associates must contact the Leave of Absence Department and provide all necessary documentation in the event they are taking leave for this purpose.

Volunteer Firefighter, Emergency Peace Officer, and/or Emergency Rescue Personnel Leave

Associates will be granted time off to perform emergency duties as volunteer firefighters, reserve peace officers, or emergency rescue personnel. In addition, Associates who are volunteer firefighters will be granted temporary leaves, not to exceed a total of fourteen (14) days per calendar year, for the purpose of engaging in emergency rescue, fire or law enforcement training.

Time off for these purposes is unpaid. All employees may substitute accrued vacation during any otherwise unpaid leave of these types.

Civil Air Patrol Leave

As long as they have been employed for at least 90 days, Associates will be granted up to 10 days of unpaid leave per year in connection with Civil Air Patrol duties. The Associate must be a volunteer member of the California Wing of the civilian auxiliary of the U.S. Air Force Civil Air Patrol. The leave must be for the purpose of responding to an emergency operation mission. The leave for a single emergency mission cannot exceed three days, unless the emergency is extended by the entity in charge of the operation and the extension is approved by the Company.

Leave and Benefits for Associates Who Perform Work in San Francisco

For Associates who perform work in San Francisco, the provision of leave and benefits will be applied equally to Associates with spouses and Associates with registered domestic partners.

Additional Paid Leave Benefits

California Associates taking leave to care for a child (including newborns and newly-adopted children), parent, spouse or registered domestic partner may be entitled to receive pay under the California Paid Family Leave (PFL) Law. Associates taking leave for their own personal non-occupational disabilities may be entitled to State Disability Benefits (SDI).

California Associates who need to take a leave or would like more information on the above or any other California Leaves, such as Jury Duty Leave, Workers' Compensation Disability Leave or Literacy Assistance, should call the Corporate Benefits Department.

San Francisco Paid Parental Leave

Qualifying employees seeking time off for baby bonding in San Francisco may be eligible for compensation supplemental to PFL beginning January 1, 2017. San Francisco employees requesting time off for baby bonding should call the Corporate Benefits Department.

4.2 SICK LEAVE

Effective July 1, 2015, all Associates who work in California for 30 or more days within a year from starting employment are entitled to paid sick leave. Associates not based in California are entitled to this leave if they work at least 30 days within a year in California.

Full-time Associates working in California will continue to earn sick leave as provided for all full-time Associates (i.e. four days allotted at the start of each fiscal year), except that Associates who join during the third or fourth quarters of the fiscal year (June 1 - November 30) will be allotted three sick days. This sick leave may be used in increments of two hours or more.

Part-time, Temporary, and Intern Associates who work at least 30 days within California in a fiscal year will earn one hour of sick pay for every 30 hours worked, beginning July 1, 2015. Associates may begin using their accrued sick leave on their 90th day of employment in increments of two hours or more. Associates are limited to using three sick days, or 24 hours, for each fiscal year. The total maximum accrual is six days, or 48 hours. Any unused sick leave up to the maximum accrual amount may be carried over to the next fiscal year.

Under California law, Associates are permitted to use sick leave for the diagnosis, care, or treatment of an existing health condition of, or preventative care for, an employee or an employee's family member. Family members include (1) children (including biological, adopted, or foster children, step children, legal wards, or children to whom the Associate stands in loco parentis, regardless of age or dependency status); (2) parents (including biological, adoptive, or foster parents, stepparents, legal guardian of an Associate or the Associate's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child); (3) spouses; (4) registered domestic partners; (5) grandparents and grandchildren; and (6) siblings. Sick leave taken to care for family members may not be counted against any Associate for purposes of any policy that counts sick leave as an absence that may lead to discipline.

Associates are not required to search for or find replacement workers to cover time during which they use paid sick leave as a condition for using the leave. Associates are responsible for determining how much paid sick leave they need to use.

If the need for paid sick leave is foreseeable, Associates must provide reasonable advance notice. If the need for sick leave is not foreseeable, Associates must provide notice as soon as practicable.

Accrued paid sick leave will not be paid out upon termination of employment. However, if an Associate separates from employment and then is rehired within the next twelve months, any previously accrued and unused paid sick days will be reinstated. The rehired Associate will be allowed to use the previously accrued sick leave and begin accruing additional paid sick days upon rehire.

The Company will not discharge, demote, suspend or in any manner discriminate against an Associate for using or attempting to use accrued sick days.

Sick Leave for San Francisco, Los Angeles, and San Diego

Except as discussed below, and to the full extent allowed by law, all conditions and restrictions placed on an Associate's use of sick leave apply to sick leave provided for San Francisco, Los Angeles, and San Diego Associates. Associates covered under for San Francisco, Los Angeles, or San Diego's sick leave

are not eligible to participate in the Sick Leave allotment described in the Sick Leave section of the Associate Reference Guide. To the extent that for San Francisco, Los Angeles, or San Diego's sick leave law conflicts with California's leave law, the law that provides the greatest benefit to Associates will be applied.

Associates Who Perform Work In San Francisco

Associates who perform work in San Francisco, including part-time and temporary Associates, will receive paid sick leave to use when they are ill, injured, or need medical care, treatment or diagnosis, as described above for California sick leave. This paid sick leave may also be used to care for a family member as defined above for California sick leave, or other designated person when those persons are sick or need medical care. Paid sick leave begins to accrue 90 calendar days after the Associate's first day of work. For every 30 hours worked, an Associate accrues one hour of paid sick leave. Paid sick leave accrues only in hour-unit increments. There is a cap of 72 hours of accrued paid sick leave. Sick leave does not accrue while an Associate is not working, such as when out on vacation or out sick. An Associate's accrued paid sick leave does not expire; it carries over from year to year, subject to the applicable cap. Associates may take this sick leave in increments of one hour or more. If an Associate separates from employment and then is rehired within the next twelve months, any previously accrued and unused paid sick days will be reinstated.

Associates Who Perform Work In Los Angeles

Associates who perform at least two hours of work in a particular week within the geographical boundaries of the City of Los Angeles will receive paid sick leave to use when they are ill, injured, or need medical care, treatment or diagnosis, as described above for California sick leave. This paid sick leave may also be used to care for a family member as defined above for California sick leave, as well as any individual related by blood or affinity whose close association with the Associate is the equivalent of a family relationship. Paid sick leave begins to accrue 90 calendar days after the Associate's first day of work. For every 30 hours worked, an Associate accrues one hour of paid sick leave. Paid sick leave accrues only in hour-unit increments. There is a cap of 72 hours of accrued paid sick leave. Sick leave does not accrue while an Associate is not working, such as when out on vacation or out sick. An Associate's accrued paid sick leave does not expire; it carries over from year to year, subject to the applicable cap. Associates may take this sick leave in increments of two hours or more. Associates may be required to provide reasonable documentation of an absence from work for which paid sick leave will be used. If an Associate separates from employment and then is rehired within the next twelve months, any previously accrued and unused paid sick days will be reinstated.

Associates Who Perform Work In San Diego

Associates who work in the city of San Diego for at least two hours in one or more calendar week will receive paid sick leave to use when they are ill, injured, or need medical care, treatment or diagnosis, as described above for California sick leave. This paid sick leave may also be used to care for a family member as defined above for California sick leave, as well as step-siblings. Additionally, leave may be used in relation to closure of a workplace or school as a result of a public health emergency. Paid sick leave begins to accrue 90 calendar days after the Associate's first day of work. For every 30 hours worked, an Associate accrues one hour of paid sick leave. Paid sick leave accrues only in hour-unit increments. An Associate may only use 40 hours of sick leave per calendar year. There is a cap of 80 hours of accrued paid sick leave. Sick leave does not accrue while an Associate is not working, such as when out on vacation or out sick. An Associate's accrued paid sick leave does not expire; it carries over from year to year. Associates may take this sick leave in increments of two hours or more. Sick leave is paid at the rate or other measure of compensation paid at the time the Associate uses sick leave. If an Associate separates from employment and then is rehired within the next twelve months, any previously accrued and unused paid sick days will be reinstated.

Associates Who Split Time Between Los Angeles And San Diego

Associates who work in the city of San Diego for at least two hours in one or more calendar week as well as Los Angeles for at least two hours in one or more calendar week will receive paid sick leave to use when they are ill, injured, or need medical care, treatment or diagnosis, as described above for California sick leave. This paid sick leave may also be used to care for a family member as defined above for California sick leave, as well as step-siblings and any individual related by blood or affinity whose close association with the Associate is the equivalent of a family relationship. Additionally, leave may be used in relation to closure of a workplace or school as a result of a public health emergency. Paid sick leave begins to accrue 90 calendar days after the Associate's first day of work. For every 30 hours worked, an Associate accrues one hour of paid sick leave. Paid sick leave accrues only in hour-unit increments. There is a cap of 80 hours of accrued paid sick leave. Sick leave does not accrue while an Associate is not working, such as when out on vacation or out sick. An Associate's accrued paid sick leave does not expire; it carries over from year to year. Associates may take this sick leave in increments of two hours or more. Sick leave is paid at the rate or other measure of compensation paid at the time the Associate uses sick leave. If an Associate separates from employment and then is rehired within the next twelve months, any previously accrued and unused paid sick days will be reinstated.

4.3 BEREAVEMENT LEAVE

For Associates who perform work in San Francisco, the provision of bereavement leave will be applied equally to Associates with spouses and Associates with registered domestic partners.

4.8 FAMILY AND MEDICAL LEAVE ACT (FMLA) AND CALIFORNIA FAMILY RIGHTS ACT (CFRA)

The Company fully complies with the federal Family and Medical Leave Act ("FMLA") and the California Family Rights Act ("CFRA"), both of which require the Company to grant eligible Associates leaves of absence for specified purposes. Associates are eligible for CFRA Leave if they have been employed by the Company for at least 12 months (consecutive or non-consecutive months) and they worked at least 1,250 hours during the 12 months immediately preceding commencement of the leave. An eligible employee's entitlement to CFRA Leave is limited to a total of 12 workweeks of leave in a 12-month period for any one or combination of the events for which CFRA Leave is available. The "12-month period" in which up to 12 workweeks of leave may be taken for these purposes is the 12-month period measured forward from the date on which the Associate first takes CFRA Leave.

Eligible Associates may take CFRA Leave for any of the following purposes:

1. For the birth of a child of the Associate, for the placement of a child with the Associate for adoption or foster care, or to care for the Associate's newborn child or the Associate's newly adopted or new foster child. Leave for this purpose must conclude 12 months after the birth, adoption, or placement.
2. Because of the Associate's own serious health condition (including serious health conditions resulting from on-the-job illness or injury, but excluding serious health conditions related to pregnancy, childbirth, or related medical conditions) that makes the Associate unable to perform his or her job at all or unable to perform any one or more of the essential functions of his or her job.
3. To care for a spouse, registered domestic partner, child, or parent with a serious health condition. A "registered domestic partner" is a person who is one of two adults who have chosen to share one another's lives in an intimate and committed relationship of

mutual caring and who have filed a Declaration of Domestic Partnership with the California Secretary of State.

If both parents are employed by the Company, they may take only a combined total of 12 workweeks of CFRA Leave for the birth, adoption, or foster care placement of their child. They each may take 12 workweeks of CFRA Leave to care for a parent with a serious health condition.

Leave under the FMLA runs concurrently with leave under the CFRA to the extent permitted by federal and California law. However, leave taken to care for a registered domestic partner with a serious health condition is available only under the CFRA and therefore does not count against an Associate's 12 workweeks of FMLA Leave. Similarly, leave to care for a Servicemember and leave for qualifying exigencies are only available under the FMLA and therefore do not count against an Associate's 12 workweeks of CFRA Leave. Furthermore, leave taken by an Associate because of her own disability caused by pregnancy, childbirth, or related medical conditions is not available under the CFRA, but will count toward the Associate's FMLA and Pregnancy Disability Leave entitlements.

Unless the Company agrees otherwise, the minimum duration for a CFRA Leave for the birth, adoption, or foster-care placement of a child of the Associate is two weeks, except the Associate may take a CFRA Leave of less than two weeks for this purpose on any two occasions.

The minimum duration for a CFRA Leave due to the serious health condition of the Associate or to care for another with a serious health condition is the shortest period of time the Company's payroll system uses to account for absences of use of leave.

CFRA Leaves are unpaid leaves. However, Associates may qualify for State Disability Insurance (SDI) benefits or Paid Family Leave (PFL) benefits from the State of California and/or for Workers' Compensation Insurance benefits or Short-Term Disability (STD) benefits. Associates must use accrued sick leave, accrued vacation, and personal days during any otherwise unpaid CFRA Leave for their own serious health conditions or to care for others with serious health conditions. Associates must use accrued vacation and/or personal days during any otherwise unpaid CFRA Leave for other reasons. It is the Associate's responsibility to apply for SDI and/or PFL benefits and, if applicable, STD benefits. At the Associate's option, sick leave, vacation pay, and/or personal days may be coordinated with SDI benefits, PFL benefits, Workers' Compensation benefits, and/or STD benefits.

The Company will respond to a CFRA Leave request within ten (10) days after receiving the request. Associates who request CFRA Leave due to a serious health condition will be required to submit the medical certification approved by the California Fair Employment and Housing Commission. Second and third medical opinions will be sought only if the Associate asks for leave because of his or her own serious health condition. Recertification will be required only if the Associate seeks to extend CFRA Leave after the expiration of the period originally articulated by the health care provider.

Except as specifically stated in this policy, the Company will provide the same benefits for an Associate on CFRA Leave that it provides for Associates on FMLA Leave and will impose the same requirements on an Associate on CFRA Leave that it imposes on Associates on FMLA Leave. Associates should look to the general section regarding FMLA requirements. For more information, call the Corporate Benefits Department.

San Francisco Family Friendly Workplace Ordinance

Associates in San Francisco who have six or more months of service and who work at least eight hours per week may request a flexible work arrangement to accommodate his or her caregiving responsibilities for (1) a child, (2) a parent age 65 or older; or (3) a spouse, registered domestic partner, parent, child sibling, grandparent, or grandchild with a serious health condition. An eligible employee may make up

to two requests for accommodation per year, but may make an additional request following the birth or adoption of a child and/or an increase in the employee's caregiving responsibilities for a family member with a serious health condition.

A requested accommodation could include an alternative work schedule, telecommuting, job sharing, part-time work, or any other type of flexible work arrangement. The request must be made in writing, and must detail the accommodation requested and how that accommodation relates to the employee's caregiving responsibilities. The request must also state the proposed commencement and duration for the requested accommodation.

Upon receiving an eligible request, the Company will consider the request as required by law. The Company may require verification of caregiving responsibilities as part of the request. For more information, call the Corporate Benefits Department.

4.9 PREGNANCY RELATED DISABILITIES

The Company complies with the California Pregnancy Disability Leave Law, which requires it to permit each California Associate to take a reasonable leave of absence of up to four (4) months, as needed, for the period(s) of time the Associate is actually disabled by pregnancy, childbirth, or related medical conditions or for prenatal care. Each female Associate is eligible for Pregnancy Disability Leave ("PDL"), regardless of length of service or any other criteria.

Time taken off for PDL does not count against the 12 workweeks of leave available under CFRA, but does count against the FMLA entitlement. The Company will count periods of PDL as FMLA Leave for Associates who are eligible for FMLA Leave and, except as specifically stated in this policy, will provide the same benefits for an Associate on PDL that it provides for Associates on FMLA Leave and will impose the same requirements on an Associate on PDL that it imposes on Associates on FMLA Leave.

PDL is unpaid leave. However, an Associate who takes PDL may qualify for State Disability Insurance (SDI) benefits from the State of California and/or for Short-Term Disability (STD) benefits. At the Associate's option, sick leave, vacation pay, and/or personal days may be coordinated with SDI benefits and, if applicable, STD benefits. It is the Associate's responsibility to apply for SDI and, if applicable, STD benefits. Associates must use accrued sick leave and may elect to use accrued vacation and/or personal days during any otherwise unpaid PDL.

The four-month PDL allowance includes any time taken (with or without pay) because of a disability caused by pregnancy, childbirth, or related medical conditions, or for prenatal care. PDL may be taken intermittently or on a reduced work schedule basis if the Associate's health care provider determines it is medically necessary.

The minimum leave increment for intermittent leave or leave on a reduced work schedule is the shortest period of time the Company's payroll system uses to account for absences. If an Associate takes PDL intermittently or on a reduced work schedule, the Company may temporarily transfer her to an alternative position for which she is qualified that has equivalent pay and benefits and that better accommodates recurring periods of leave.

If the Associate has requested CFRA Leave after the expiration of a PDL of five (5) or more work days, the CFRA Leave will start on the day the Associate's health care provider has released her to return to work. The Associate must contact the Leave of Absence Department in order for the request for CFRA Leave to be processed. For purposes of determining the Associate's eligibility for CFRA Leave after the expiration of her PDL, the 12-month period during which she must have worked 1,250 hours is that

period immediately before her first day of FMLA leave based on her pregnancy, not the first day of the subsequent CFRA Leave to bond with her newborn child.

If the need for leave is foreseeable, the Associate must provide the Company with at least 30 days advance notice before the start of a PDL of five (5) or more work days. If it is not possible to provide 30 days advance notice, such as in the case of changed circumstances or a medical emergency, notice must be given as soon as practicable. Notice should be given by contacting the appropriate departments as described in the Leave of Absence section to arrange for the leave in advance and all appropriate paperwork must be completed prior to the beginning of the leave. She will be entitled to take the requested PDL for up to four (4) months if she submits a medical certification from a health care provider setting out (1) the date on which she became disabled due to pregnancy, childbirth, or related medical conditions, (2) the probable duration of the period or periods of disability, and (3) an explanatory statement that, due to the disability, the Associate is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons. An Associate who takes a PDL of five (5) or more consecutive work days must provide a written certification from a health care provider certifying her ability to return to work on the first day of her return to work or on the first day she wants any subsequent CFRA Leave to begin.

Under most circumstances, an Associate who takes PDL is guaranteed the right to return to her original or similar position at the end of the leave.

5.7 SUBSTANCE ABUSE POLICY

California Associates will be tested for alcohol or drugs only if there is a reasonable suspicion that the Associate is under the influence of alcohol or an illegal/unauthorized controlled substance in the workplace or while working and that such influence may adversely affect the Associate's job performance or the health or safety of the Associate or others.

The Company will reasonably accommodate any Associate who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program, provided that this reasonable accommodation does not impose an undue hardship on the Company. The Company will make reasonable efforts to safeguard the privacy of the Associate as to the fact that he or she has enrolled in an alcohol or drug rehabilitation program. An Associate may use accrued sick leave and/or personal days for purposes of entering and participating in an alcohol or drug rehabilitation program.

5.8 HUMAN RESOURCES RECORDS ACCESS

California law permits Associates to gain access to personnel files on request and at reasonable times and in reasonable intervals as provided by law.

Such files include those used to determine qualifications for employment, promotion, pay raises, or termination or other disciplinary action, but do not include records relating to investigation of a possible criminal offense or letters of reference, ratings, reports, or records that (a) were obtained prior to the employee's employment, (b) were prepared by identifiable examination committee members, or (c) were obtained in connection with a promotional exam. A copy of an Associate's personnel file must be kept at Associate's work site or made available there within a reasonable time after request is made. If an Associate must travel to a location other than the place where he or she reports to work to review a personnel file, the Associate will not lose compensation for the time away from work for the purpose of reviewing the file.

On request, an Associate or applicant who signs any document relating to obtaining or holding employment must be given a copy of the document.

5.9 EMPLOYMENT OF RELATIVES AND DOMESTIC PARTNERS

Although marital status discrimination is prohibited, for reasons of supervision, safety, security, or morale, the Company may (1) refuse to place one spouse or registered domestic partner under the direct supervision of the other spouse or registered domestic partner, (2) refuse to place both spouses or registered domestic partners in the same department, division, or facility if the work involves potential conflicts of interest or other hazards greater for married couples/registered domestic partners than for other persons.

5.12 COMMUTER REIMBURSEMENT BENEFIT

The Company offers pre-tax commuter benefits to certain qualified Associates who perform the minimum hours of work per week for the Company for qualifying transit.

Qualified Associates work at least 20 hours per week in one of the following nine California counties:

- | | |
|-------------------|-----------------|
| (1) Alameda | (6) San Mateo |
| (2) Contra Costa | (7) Santa Clara |
| (3) Marin | (8) Solano |
| (4) Napa | (9) Sonoma |
| (5) San Francisco | |

The purpose of this Transportation Plan Policy is to provide eligible Associates the opportunity to exclude from taxable wages and compensation Associate commuting costs for eligible transportation up to the maximum level allowed by federal tax law.

To be eligible Associates must work the minimum number of hours as described above, and must work in one of the described counties or Company branches and must commute using the Mass Transit System or Commuter Highway Vehicles (Van Pools).

Associates may enroll in the plan by following the enrollment procedures outlined in the Summary Plan Descriptions which can be found on the Associate Portal. Associates must agree to pay for this benefit with pre-tax contributions. Pre-Tax contributions allow Associates to exclude from taxable wages the cost incurred for commuting to work by using public transportation.

Enrollment elections will remain in force until such time that the eligible Associate makes an election change. Any changes to the monthly election amount as well as termination of participation must be made following the procedures described in the Summary Plan Description.

For additional information on the Transportation Plan Policy, please refer to the Summary Plan Description on the Benefits page of the Lennar Portal.

5.13 POLYGRAPH TESTING

California law limits the use of polygraph tests, psychological stress evaluation tests, voice stress analyzers, lie detectors, or similar tests or examinations as a condition of employment or continued employment.

COLORADO

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Colorado state law prohibits discrimination based on basis of ancestry or national origin, race or color, religion, age (40 to 70), disability, sex, sexual orientation, pregnancy, or on the basis of lawful conduct during nonworking hours.

2.4 PAY POLICIES

Break Time for Nursing Mothers

It is the policy and practice of the Company to provide nursing mothers with reasonable unpaid break time each workday for the purpose of expressing breast milk for their infant. The break time must, if possible, run concurrently with any break time already provided to the Associate. The Company may limit such break time if such breaks would unduly disrupt Company operations. Nursing mothers will be provided with a room or other location in close proximity to the work area to express breast milk in privacy.

Meal Periods

Colorado law requires an employer to provide employees with an uninterrupted, duty-free meal period of at least 30 minutes when scheduled work shifts exceed 5 consecutive hours. When uninterrupted meal periods are impractical, employers must permit employees to consume a meal while performing duties, and they must fully compensate employees for such on-duty meal periods. Employers must provide employees with a compensated 10-minute rest period in the middle of each 4-hour work period.

2.10 TERMINATION OF EMPLOYMENT

Colorado law requires an employer to pay any unpaid wages to Associates whose employment is terminated voluntarily on the next scheduled pay period. Associates whose termination is involuntary will receive their pay immediately upon termination. However, if the Payroll Department is closed at the time of the involuntary termination, the Company shall mail all wages due to the Associate's last known address within 24 hours after the Payroll Department's next regular workday.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Leave for Victims of Domestic Violence, Domestic Abuse, Stalking, or Sexual Assault

State law allows Associates who have been employed by the Company for at least twelve months, who are victims of domestic violence, domestic abuse, stalking, sexual assault, or any other crime relating to domestic violence to take up to three days of unpaid leave from work in any twelve-month period. Such unpaid leave must be used for one or more of the following reasons: 1) to seek a civil protection order; 2) obtain medical care and/or mental health counseling for the Associate and/or Associate's children; 3) to seek new housing or to make the home secure; and/or 4) to seek legal assistance and/or participate in legal proceedings. Before obtaining such leave, Associates must first exhaust all accrued or earned vacation, personal, or sick time. Associates must provide all appropriate documentation as required by the Company's leave of absence policies and/or the statute.

Leave for Volunteer Emergency Responders and Volunteer Firefighters

Associates who are volunteer emergency responders with qualified volunteer organizations as determined by state law and volunteer firefighters called into service to provide emergency services will be granted time off to provide disaster response services, up to a maximum of fifteen (15) work days in any calendar year.

Associates who take leave under this policy are required to provide written proof of service from the volunteer organization verifying that the Associate was called to service by a volunteer organization for the purpose of assisting in a disaster; the volunteer reported for service; and the number of days of service that the Associate provided to his or her supervisor upon return to work.

Time off under this policy is unpaid. Time taken under this policy shall not affect the Associate's rights to vacation, sick leave, bonus, advancement, or other benefits. Associates who take a leave under this policy are entitled to be restored to the position the Associate held prior to the leave of absence or to a similar position.

The Company reserves the right to deny leave under this policy to Associates who are essential to the operation of the Company's daily enterprise, whose absence would cause the Company to suffer economic injury; or whose duties include assisting in disaster recovery for the Company.

Qualified volunteer organizations include: Larimer Search and Rescue, Inc.; Routt County Search and Rescue; Colorado Mounted Rangers/Colorado Rangers; Vail Police Department – Volunteers in Policing; Vail Citizen's Emergency Response Team; and Office of Emergency Management for the Town of Aguilar.

Leave for Military Training

Associates who are duly qualified members of the Colorado National Guard or the reserve forces of the United States will be granted temporary leaves, not to exceed fifteen (15) days in any one calendar year, for the purpose of engaging in military training. Time off for this purpose is unpaid. Associates are required to provide proof of satisfactory completion of such training upon return to work, and will be restored to their previous position or a similar position with the same pay and status.

Civil Union/Domestic Partner Leave

Under the Colorado Family Care Act, Associates who have worked for the Company for at least twelve (12) months (the twelve months need not be consecutive) AND have worked at least 1,250 hours during the twelve (12) month period immediately preceding the date when the leave would begin are eligible to take up to twelve (12) workweeks of unpaid leave to care for a person who is an Associate's partner via a civil union or is an Associate's registered domestic partner and has a serious health condition as defined by the FMLA. Associates must contact the Leave of Absence Department and provide all appropriate documentation as required by the Company's leave of absence policies and/or the statute.

DELAWARE

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Delaware law prohibits discrimination on the basis of national origin, race, color, religion, age (40 years and older), genetic test results, actual or perceived physical or mental disability, marital status, gender identity, or sex (including pregnancy, childbirth, and other pregnancy-related conditions). The Delaware Medical Marijuana Act prohibits discrimination based upon a person's status as a registered qualifying patient, or a registered qualifying patient's positive drug test for marijuana components or metabolites, unless the patient used, possessed or was impaired by marijuana on the premises of the place of employment or during the hours of employment.

2.4 PAY POLICIES**Meal Periods**

It is the policy and practice of the Company to provide non-exempt Delaware Associates with an unpaid, duty free uninterrupted meal break of at least 30 minutes if the Associate works 7.5 or more consecutive hours. The meal break must be taken sometime after the first two (2) hours of work and before the last two (2) hours of work. Associates should not spend meal periods at their work stations and/or desks, but should leave Company premises, use provided meal and break areas, or otherwise use the meal time to get away from their work stations. Non-exempt Associates must report time out and report time in for meal periods. Under no circumstances may a non-exempt Associate work while reported out for a meal period. Any Associate who is instructed to work through a meal period or otherwise misses a meal period should immediately contact Regional Human Resources.

Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

5.7 SUBSTANCE ABUSE POLICY

An Associate possessing a valid registry identification card under the Delaware Medical Marijuana Act will not be considered to be under the influence of marijuana solely because of the presence of metabolites or components of marijuana that appear in insufficient concentration to cause impairment.

5.13 POLYGRAPH TESTING

The Company will not require, request, cause, or suggest any Associate or prospective employee take a polygraph, lie detector, or similar test or examination as a condition of employment or continuation of employment.

FLORIDA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Florida law prohibits employment discrimination on the basis of race or color, religion, sex, national origin, age (40 and over), disability, actual or perceived AIDS/HIV status, marital status, or sickle cell trait or other protected classes established by applicable law. Sexual harassment is prohibited. Mothers are entitled to breastfeed their infants while at work.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Domestic or Sexual Violence Leave

State law allows Associates who have been employed by the Company for at least three months, who are victims of domestic or sexual violence, or who have a family or household member who is a victim of domestic or sexual violence, to take up to three days of unpaid leave from work in any twelve-month period. Such unpaid leave must be used for one or more of the following reasons: 1) to seek an injunction; 2) to obtain medical care and/or mental health counseling for the Associate and/or Associate's family or household member; 3) to obtain services from a victim services organization; 4) to seek new housing or to make the home secure; and/or 5) to seek legal assistance and/or participate in legal proceedings.

For purposes of this policy, a family or household member includes spouses, former spouses, persons related by blood or marriage, persons who are presently residing together as if a family or who have resided together in the past as if a family, and persons who are parents of a child in common regardless of whether they have been married. With the exception of persons who have a child in common, the family or household members must be currently residing or have in the past resided together in the same single dwelling unit.

Except in cases of imminent danger to the health or safety of the Associate or of the Associate's family or household member, Associates must provide 30 days advance notice of the leave or as much advance notice as possible. Before obtaining such leave, Associates must first exhaust all accrued or earned vacation, personal, or sick time. Associates must provide all appropriate documentation as required by the Company's leave of absence policies and/or the statute. Any request for domestic violence leave will be kept confidential to the extent allowed by law and will be handled by Human Resources.

Witness Leave

State law requires an employer to allow an Associate to take off time to attend court to serve as a witness to crime in response to a subpoena.

National Guard Leave for State Active Duty

Any Associate who is a member of the National Guard ordered into state active duty will not be discharged, reprimanded, or otherwise penalized because of his or her absence by reason of state active duty. Time off for state active duty is unpaid. Associates may elect to use any accrued vacation or personal paid leave for the period during which the Associate was ordered into state active duty. Upon the completion of state active duty, the Associate must promptly notify the Company of his or her intent to return to work.

An Associate who returns to work after serving on state active National Guard duty is entitled to the seniority that the Associate had on the date of the commencement of his or her state active duty and any other rights and benefits that inure to the Associate as a result of such seniority, including any additional seniority that the Associate would have obtained during the leave period.

An Associate who returns to employment after active duty in a state's National Guard will not be discharged without cause, including for violation of Company policy or law or for other cause as determined by the Company, within one year after his or her return.

GEORGIA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Georgia state law prohibits discrimination on basis of race, color, religion, national origin, sex (including pregnancy), age, equal pay, disability, genetic information, or veteran status.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.4 PAY POLICIES**Break Time for Nursing Mothers**

It is the policy and practice of the Company to provide nursing mothers with reasonable unpaid break time each workday for the purpose of expressing breast milk for their infant. The break time must, if possible, run concurrently with any break time already provided to the Associate. The Company may limit such break time if such breaks would unduly disrupt Company operations. Nursing mothers will be provided with a room or other location in close proximity to the work area to express breast milk in privacy.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

An Associate's absence or tardiness that leads to termination from employment may also disqualify the Associate from receiving unemployment compensation benefits.

Military Leave

Members of U.S. armed forces or the Georgia National Guard who are called into active federal or state service will be granted unlimited unpaid leave for active service, and up to a maximum of six (6) months of unpaid leave in any four (4) year period for service school or annual training.

Associates returning from active federal or state service who (i) notify the Company of their desire to return to work within 90 days after they are relieved from such service; (ii) provide a certificate of completion of military service duly executed by an officer of the applicable force of the armed forces of the United States or by an officer of the applicable force of the organized militia; and (iii) are still qualified to perform the duties of the position, will be reinstated to the same position or a position of like status and pay unless Company circumstances have so changed as to make reinstatement impossible or unreasonable.

4.4 JURY DUTY, SUBPOENAS & DEPOSITIONS

No Associate shall be discharged, disciplined, or otherwise penalized for taking leave for the purposes of attending a judicial proceeding in response to a subpoena, summons for jury duty, or other court order.

Associates shall be paid for time spent on a jury. Associates will receive the difference between the amount they are paid for jury service and their regular pay.

If an associate receives a summons to report for jury duty, he or she should show the summons to his or her supervisor and Human Resources immediately. Upon completion of jury duty, associates are required to submit proof of jury service documentation to their supervisor prior to returning to work. Associates are expected to return to their jobs if they are excused from jury service during their regular hours.

4.5 VOTING

Associates who do not have sufficient time outside of their regular working hours to vote in a statewide election may request up to two hours off work in order to vote. Associates must make their request at least two days in advance of the election. Time off for voting will be monitored by the Company, in order to minimize disruption to the Company's business operations.

5.7 SUBSTANCE ABUSE POLICY

An Associate terminated from employment due to a violation of the Company's substance abuse policy (including being injured while under the influence of alcohol or illegal drugs, or refusing to submit to a drug or alcohol test following an injury) may be disqualified from receiving unemployment compensation benefits.

5.8 HUMAN RESOURCES RECORDS ACCESS

In the event that an adverse employment decision is made to an Associate or applicant whose record was obtained from the Georgia Crime Information Center ("GCIC"), the Associate or applicant will be informed by the Company of all information pertaining to that decision, including information that a record was obtained from the GCIC, the specific contents of the record, and the effect the record had upon the decision.

IDAHO

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Idaho law prohibits discrimination on the basis of race, sex (including pregnancy, childbirth and other pregnancy-related medical conditions), color, national origin, religion, age (40 and over), disability, or genetic information.

2.10 TERMINATION OF EMPLOYMENT

Idaho law requires employers to pay separated employees all unpaid earned wages by the earlier of: 1) the next scheduled payday, or 2) within 10 days of the separation of employment, weekends and holidays excluded. This time limit applies regardless of whether the separation is voluntary or involuntary. If, after separation occurs, the employee makes a written request for earlier payment of all wages, the employee must be paid within 48 hours of the employer's receipt of the written request, weekends and holidays excluded.

Associates will be paid for accrued unused vacation upon separation from employment.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Witness/Jury Duty Leave

Associates may take time from work to respond to a jury duty summons, respond to a subpoena to serve as a witness in a civil or criminal proceeding, or to attend a criminal proceeding they may otherwise have a right to attend. Associate must provide the Company with 48 hours' notice (if able) and documentation to support time off from work.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

Leave to Attend Military Training

An Associate who is a member of the National Guard or military reserve may be eligible to take up to 15 days of leave in each calendar year to receive military training with the armed forces of the United States. Such leave may be paid, or partially paid, in accordance with this Associate Resource Guide.

To be eligible for this leave, the Associate must contact the appropriate department as described in the Leave of Absence section 90 days prior to the date of departure. The Associate must provide documentation of the date of departure and date of return for the military training. Upon release from training, the Associate must immediately notify his or her division or department manager and must provide evidence of the satisfactory completion of the training.

Associates who return to work from an approved Military Training Leave within the time frame allowed by Idaho law will be returned to their job or an equivalent position, without loss of seniority or benefits.

Return from Active Duty in National Guard

An Associate who is a member the Idaho National Guard and is ordered to duty by the governor, or who is a member of the National Guard of another state and is called into active duty by that state's governor, may take leave for the term of service. Such leave may be paid, or partially paid, in accordance with this Associate Resource Guide.

If the Associate is still qualified to perform the duties of the position he or she held at the time of the order to duty, the Associate will be restored to that position or one of like seniority, status and pay. If the Associate is not qualified to perform the duties of that position (due to a disability sustained during the period of duty) but is qualified to perform the duties of another position, then the Company will offer the Associate the position for which he or she is qualified that is most similar to the Associate's former position in seniority, status and pay.

An Associate who returns to employment after active duty in a state's National Guard will not be discharged without cause, including for violation of Company policy or law or for other cause as determined by the Company, within one year after his or her return.

ILLINOIS

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Illinois law prohibits discrimination on the basis of ancestry or national origin, race or color, religion, age (40 and over), physical or mental disability, order of protection status, marital status, arrest records, criminal history that has been expunged, citizen status, military status, unfavorable discharge from the military, sex (including sexual harassment), sexual orientation, pregnancy, genetic testing or genetic information. Mothers are entitled to breastfeed their infants while at work. Illinois law also prohibits discrimination on the basis of use of lawful products off the Company's premises during nonworking hours.

2.4 PAY POLICIES

Break Time for Nursing Mothers

It is the policy and practice of the Company to provide nursing mothers with reasonable unpaid break time each workday for the purpose of expressing breast milk for their infant. The break time must, if possible, run concurrently with any break time already provided to the Associate. The Company may limit such break time if such breaks would unduly disrupt Company operations. Nursing mothers will be provided with a room or other location in close proximity to the work area to express breast milk in privacy.

Meal Periods

It is the policy and practice of the Company to provide non-exempt Associates with an unpaid, duty free uninterrupted meal break of at least 20 minutes if the Associate works 7.5 or more consecutive hours. The meal break must begin no later than five hours after the start of the work period. Associates should not spend meal periods at their work stations and/or desks, but should leave Company premises, use provided meal and break areas, or otherwise use the meal time to get away from their work stations.

Non-exempt Associates must report time out and report time in for meal periods. Under no circumstances may a non-exempt Associate work while reported out for a meal period. Any Associate who is instructed to work through a meal period or otherwise misses a meal period should immediately contact Regional Human Resources.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.10 TERMINATION OF EMPLOYMENT

Illinois law requires employers to pay any unpaid wages earned to Associates whose employment is terminated involuntarily or voluntary at time of separation if possible, but no later than payday. Associates may request in writing that final compensation be paid by check and mailed to their home address.

3.3 PERSONAL DAYS

EARNED BUT UNUSED PERSONAL DAYS, IF ANY, WILL BE PAID TO ASSOCIATES WHO LEAVE THE COMPANY EITHER VOLUNTARILY OR INVOLUNTARILY.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Victims of Domestic/Sexual Violence Leave

State law allows Associates who are victims of domestic or sexual violence, or who have a family or household member who is a victim of domestic or sexual violence, to take up to twelve workweeks of unpaid leave in any twelve-month period. Such leave must be used for one or more of the following reasons:

- 1) to seek medical attention for or recovery from physical or psychological injuries cause by the domestic or sexual violence;
- 2) to obtain services from a victim services organization;
- 3) to obtain psychological or other counseling;
- 4) to participate in safety planning, relocating, or taking actions to increase safety or ensure economic security; and/or
- 5) to seek legal assistance and/or participate in legal proceedings.

Any such leave does not create a right to take unpaid leave that exceeds leave time allowed under, or is in addition to unpaid leave time permitted by the federal Family and Medical Leave Act. Associates who are eligible for FMLA leave will have their accrued time paid out according to the FMLA policy for protected leaves; Associates not eligible for FMLA leave but eligible for leave based on domestic or sexual violence may choose to have their accrued time paid out in lieu of unpaid leave. Associates will retain coverage for the Associate and any family or household member under any group health plan while on leave as long as the Associate continues to pay the Associate's portion of benefit premiums.

The Associate must contact the Leave of Absence Department to arrange for leave based on domestic or sexual violence at least 48 hours in advance (if practicable). Associates must complete all appropriate documentation as required by the Company's leave of absence policies and/or the statute. An Associate who returns to work from an approved leave based on domestic or sexual violence within the time frame allowed by the statute will be returned to his/her job or an equivalent position with equivalent benefits, pay, and other terms and conditions of employment.

Blood Donation Leave

Full time Associates with at least six months of service with the Company will be granted up to one hour of paid leave every 56 days to donate blood. Associates must obtain prior approval from their supervisor in order to be eligible for paid leave under this policy and must submit a written statement from the blood bank indicating that the employee has an appointment to donate blood. The Company requires the Associate to provide a written statement from the blood bank confirming that the Associate kept the appointment.

School Visitation Leave

Full time and part time Associates with at least six consecutive months of service immediately preceding a request for leave under this Policy are eligible for an unpaid leave of up to eight (8) hours during any school year to attend school conferences or classroom activities related to the Associate's child if such activities cannot be scheduled during non-work hours. No more than four (4) hours of leave may be taken in any one day.

For purposes of this policy, "child" means a biological, adopted or foster child, stepchild, or a legal ward of an Associate and who is enrolled in a primary or secondary public or private school in Illinois or a state that shares a common boundary with Illinois. Leave under this policy is available only if the Associate has exhausted all accrued leave time other than sick and disability leave. Associates must provide their supervisor with a Time-Off Request Form at least 7 days in advance. In an emergency situation 24 hours' notice is required. Associates must consult with their supervisors to schedule the leave so as not to unduly disrupt the operations of the Company. Associates are required to submit documentation of the school visitation from the school to their supervisor within two working days of the school visitation. Failure to timely provide such documentation may subject the Associate to discipline for unexcused absence from work.

Civil Air Patrol Leave

Associates who are members of the civilian auxiliary of the United States Air Force commonly known as the Civil Air Patrol may be eligible to take up to 30 days of unpaid Civil Air Patrol Leave to perform a Civil Air Patrol mission. To be eligible, the Associate must have worked for the Company for at least 12 months, and must have worked at least 1,250 hours during the 12-month period immediately preceding the leave.

Associates who wish to take Civil Air Patrol Leave must first exhaust all accrued vacation and personal day balances. Associates must contact the Leave of Absence Department at least 14 days in advance of the intended date upon which the Civil Air Patrol Leave will commence if leave will consist of 5 or more consecutive work days. Associates taking Civil Air Patrol Leave for fewer than 5 consecutive days must give the Company as much advanced notice as is practicable. Where able, the Associate must consult with the Company to schedule the leave so as to not unduly disrupt the Company's operations. The Company may require certification from the proper military authority to verify the Associate's eligibility for the Civil Air Patrol Leave requested.

Health insurance and other benefits for an Associate on Civil Air Patrol Leave shall continue as long as the Associate continues to pay the employee's portion of those benefit premiums. With certain exceptions, Associates who return to work from an approved Civil Air Patrol Leave within the time frame allowed by law will be returned to their job or an equivalent position with like benefits, pay, status, seniority, and other terms and conditions of employment.

Family Military Leave

Eligible employees who are the spouse or parent of a person called to serve over thirty (30) days in the military may take up to thirty (30) days of unpaid family military leave during the military service member's deployment.

To be eligible for family military leave, employees must have been employed by the Company for twelve (12) months and worked 1,250 hours during the twelve (12) month period immediately preceding the start of the leave.

Associates must provide the Company with at least fourteen (14) days notice for leave lasting five (5) or more consecutive workdays. For leaves of less than five (5) days, employees must provide the Company with as much notice as possible.

Associates must provide certification from the proper military authority to verify eligibility for the leave requested.

Volunteer Emergency Worker Leave

An employee who serves as an unpaid "volunteer emergency worker" is entitled to an unpaid leave when absent from work in order to respond to an emergency call received prior to the time the employee is scheduled to report to work. For purposes of this leave, "volunteer emergency worker" means a person who does not receive monetary compensation for his or her services as a volunteer firefighter, Emergency Medical Technician (licensed as an EMT-B, EMT-I, or EMT-P under the Emergency Medical Services (EMS) Systems Act), a volunteer ambulance driver or attendant, or a volunteer "First Responder," as defined in Sec. 3.60 of the EMS Systems Act, to a fire department, fire protection district, or other governmental entity, and who does not work in one of these capacities for any other fire department, fire protection district, or governmental entity for monetary compensation.

Associates utilizing this leave shall make reasonable efforts to notify the Company of their service and shall continue to make reasonable notification efforts over the course of any absence.

The Company may request an employee to provide a written verification from the supervisor or acting supervisor of the volunteer fire department or emergency medical services that the employee served as a volunteer emergency worker and the time thereof.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Volunteer Fire Protection Trustee Leave

An employee who serves as an elected or appointed trustee of a fire protection district is entitled to unpaid leave to attend a meeting of the board of trustees, including travel time.

Associates utilizing this leave shall make reasonable efforts to notify the Company of the need for leave under this policy.

For more information regarding this leave, please see your supervisor.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Election Judge Leave

Appointed election judges will be granted unpaid leave on the day of an election. Associates must provide at least twenty (20) days written notice of the need for leave and provide documentation demonstrating the appointment and the dates of the required service.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

4.9 PREGNANCY RELATED DISABILITIES

The Company complies with the Illinois Human Rights Act, which requires it to provide reasonable accommodations, including unpaid leave, to all female Associates as needed for the period(s) of time the Associate is sick or temporarily disabled by pregnancy, childbirth, or related medical conditions. Each female Associate is eligible for pregnancy disability leave (PDL), regardless of length of service or any other criteria. The Company will count periods of PDL as FMLA Leave for Associates who are eligible for FMLA Leave and, except as specifically stated in this policy, will provide the same benefits for an Associate on PDL that it provides for Associates on FMLA Leave and will impose the same requirements on an Associate on PDL that it imposes on Associates on FMLA Leave. PDL is unpaid leave.

Under most circumstances, an Associate who takes PDL is guaranteed the right to return to her original or similar position at the end of the leave.

Please see the end of this section for important information from the Illinois Department of Human Rights.

5.8 HUMAN RESOURCE RECORDS ACCESS

Associates may review material in their respective personnel file that has been or is intended to be used in determining the Associate's qualifications for employment, promotion, transfer, additional compensation, discharge, or other disciplinary action.

Associates, however, will not be permitted access to the following categories of documents:

- Letters of reference
- Any portion of a test document, except that the employee may see a cumulative total test score for either a section of or the entire test document
- Materials relating to the Company's staff planning, such as matters relating to the business's development, expansion, closing or operational goals, where the materials relate to or affect more than one employee; except where such materials have been or are intended to be used in determining an individual employee's qualifications for employment, promotion, transfer, compensation, discharge, or discipline

- Information of a personal nature about a person other than the employee if disclosure of the information would constitute a clearly unwarranted invasion of privacy
- Records relevant to any other pending claim between the Company and Associate that may be discovered in a judicial proceeding
- Investigatory or security records maintained by the Company to investigate criminal conduct by an Associate or other activity by the Associate which could reasonably be expected to harm the Company's property, operations, or business or could by the Associate's activity cause the Company financial liability, unless and until the Company takes personnel action based on information in such records

Associates may be granted an opportunity to review the contents of his/her personnel file only in the presence of the Regional Human Resources Director, the Chief Human Resources Officer, the Division Controller or an authorized designee. The Associate may not mark or make copies of any documents in the file. Associates who wish to correct or supplement their records may submit a written request to the Chief Human Resources Officer, or the Regional Human Resources Director or the Division Controller. Associates will be provided with an inspection opportunity within seven working days after the Associate makes the request unless such deadline cannot reasonably be met, in which case an inspection opportunity will be provided no later than 14 days after the employee makes the inspection request.

Associates may not assign to any other person the approval or opportunity to review the contents of his/her personnel file without the Company's express permission.



Are you pregnant, recovering from childbirth, or do you have a medical or common condition related to pregnancy?

If so, you have the right to:

- Ask your employer for a reasonable accommodation for your pregnancy, such as more frequent bathroom breaks, assistance with heavy work, a private space for expressing milk, or time off to recover from your pregnancy.
- Reject an accommodation offered by your employer for your pregnancy that you do not desire.
- Continue working during your pregnancy if a reasonable accommodation is available which would allow you to continue performing your job.

Your employer cannot:

- Discriminate against you because of your pregnancy.
- Retaliate against you because you requested a reasonable accommodation.

It is illegal for your employer to fire you, refuse to hire you or to refuse to provide you with a reasonable accommodation because of your pregnancy. For more information regarding your rights, download the Illinois Department of Human Rights fact sheet from our website at www.illinois.gov/dhr

Es ilegal que su empleador la despida, se niegue a contratarla o a proporcionarle una adaptación razonable a causa de su embarazo. Para obtener información sobre el embarazo y sus derechos en el lugar de trabajo en español, visite: www.illinois.gov/dhr

For immediate help or if you have questions regarding your rights, call (312) 814-6200 or (217) 785-5100 or (866) 740-3953 (TTY)

CHICAGO OFFICE
100 W. Randolph Street, 10th Floor
Intake Unit
Chicago, IL 60601
(312) 814-6200

SPRINGFIELD OFFICE
222 South College, Room 101-A
Intake Unit
Springfield, IL 62704
(217) 785-5100

MARION OFFICE
2309 West Main Street, Suite 112
Intake Unit
Marion, IL 62959
(618) 993-7463

The charge process may be initiated by completing the form at:
<http://www.illinois.gov/dhr>



State of Illinois
Department of Human Rights



By Authority of the State of Illinois 122014-ENG-PREG

INDIANA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

4.1 Leaves of Absence

Indiana Military Family Leave Act Policy Statement of Purpose

To allow eligible employees to spend time with family members who have been called up for active duty in the military.

Eligibility

To be eligible for military family leave, an employee must have been employed with the Company for at least twelve months and must have worked at least 1,500 hours during the twelve-month period immediately preceding the leave and must be the:

- a legal spouse;
- a biological mother or father; an adoptive mother or father; or a court-appointed guardian or custodian;
- a biological grandparent, an adoptive grandparent, a foster grandparent or a stepgrandparent;
- a biological brother or sister, an adoptive brother or sister, a stepbrother or stepsister or a foster brother or sister; or
- a biological child, adopted child, foster child or stepchild

of a person who is ordered to active duty.

Policy

Eligible employees are provided an unpaid leave of absence of up to ten (10) working days (consecutive or non-consecutive) per year when the employee's family member who is a member of the U.S. Armed Forces, the U.S. Armed Forces Reserve Unit, or the Indiana Air or Army National Guard, is deployed for full-time military service on active duty orders for eighty-nine (89) days or longer. For purposes of this policy, a year shall consist of a rolling calendar year looking back from the date the leave is scheduled to begin.

Company will require employees to use or exhaust any accrued vacation leave prior to taking any unpaid time off for military family leave. Accrued paid time off taken under this policy shall count toward, and not be in addition to, the ten (10) working days of family military leave. Requests by employees for an exception to this requirement must be made in writing to the Director of Human Resources and must state the reason for requesting the exception.

Health care benefits in which the eligible employee participated before taking leave under this policy will be continued during the leave period under the same conditions. An eligible employee taking leave under this policy still will be required to pay the employee's portion of the health care insurance premium normally withheld from the employee's paycheck.

Timing of Leave

An eligible employee may take up to a total of ten (10) unpaid working days (consecutive or non-consecutive) of military family leave during a year. The days may be taken during one or more of the following periods, but may not exceed ten (10) days total:

- During the thirty (30) days before active duty orders are in effect;
- During a period in which the family member ordered to active duty is on leave while active duty orders are in effect; and/or
- During the thirty (30) days after the active duty orders are terminated.

Notice of Intent to Take Leave

An eligible employee who wants to take an unpaid military family leave under this policy must request leave under the policy by providing written notice of the date the leave will begin, including a copy of the active duty orders if available, to the employee's direct supervisor or the Human Resource Department. The notice must be given at least thirty (30) days before the date on which the employee intends to take the leave, unless the active duty orders are issued less than thirty (30) days before the date the requested leave is to begin. In that situation, notice should be provided as soon as possible after the active duty orders are issued.

Concurrent Leaves

To the extent an employee's military family leave also qualifies for some other type of leave (such as FMLA), such leaves shall run concurrently to the full extent allowed by law.

Emergency Responder/Volunteer Firefighter/Volunteer Ambulance Driver Leave

Employees who volunteer as volunteer firefighters or members of a volunteer emergency medical service will be granted unpaid leave to respond to a fire or emergency call, or for an absence to recover from an injury that occurred during an emergency response. An absence to recover from such an injury shall not exceed six (6) months.

To be eligible for this leave, employees must give written notice in advance that he or she is a member of a volunteer fire department or emergency medical service. If the Company determines that the employee is an essential employee, the employee can be denied such leave.

An employee must give notice prior to the beginning of the work shift that he or she will be absent from work to respond to an emergency. If an employee needs to leave work to respond to an emergency, the permission of the employee's supervisor must be obtained prior to leaving work.

The Company may require a written statement from the fire chief or other officer in charge showing the employee was engaged in the emergency response. Employees are allowed to substitute paid vacation leave in place of unpaid time off. Sick leave may be used for absences caused by injury during an emergency response.

Breaks for Nursing Mothers

To the extent reasonably possible, the Company will provide a private location, other than a toilet stall, where an Associate can express the Associate's breast milk in privacy during any period away from the Associate's assigned duties. In an addition, to the extent reasonably possible, the Company shall:

- (1) provide a refrigerator or other cold storage space for keeping milk that has been expressed; or
- (2) allow the Associate to provide the Associate's own portable cold storage device for keeping milk that has been expressed until the end of the Associate's work day.

4.4 Jury Duty, Subpoenas & Depositions

An Associate will be granted unpaid time off to respond to a subpoena in a criminal proceeding.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

Active Duty Leave

An Associate who is a member of the Indiana National Guard is entitled to an unpaid leave of absence for the number of days that the member is on state active duty as ordered by the Governor. Associates are not required to take vacation time to cover this leave of absence, but may elect to do so.

5.6 Smoking

Associates may not smoke in any Company facility or within 8 feet of any public entrance to such facility.

MARYLAND

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Maryland state law prohibits discrimination based on ancestry, national origin, race or color, religion, age (40 and over), disability, marital status, genetic information, refusal to submit to a genetic test, sex (including pregnancy and childbirth), or sexual orientation or gender identity.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Witness/Jury Duty Leave

Associates may take time from work to respond to a jury duty summons, respond to a subpoena to serve as a witness in a civil or criminal proceeding, or to attend a criminal proceeding they may otherwise have a right to attend. Associate must provide the Company with 48 hours' notice (if able) and documentation to support time off from work.

An Associate who is summoned and appears for jury service for four or more hours, including traveling time, may not be required to work an employment shift that begins on or after 5:00 p.m. on the day of the individual's appearance for jury service, or before 3:00 a.m. on the day following the individual's appearance for jury service. Associates will not be required to use annual, sick, or vacation leave to respond to a summons for jury service.

Civil Air Patrol Leave

Associates who are members of the civilian auxiliary of the United States Air Force commonly known as the Civil Air Patrol may be eligible to take up to 15 days of unpaid Civil Air Patrol Leave per calendar year to respond an emergency mission of the Maryland wing of the Civil Air Patrol. To be eligible, the Associate must have worked for the Company for at least 90 days immediately preceding the leave.

An Associate must provide the Company as much notice as possible of the intended dates of the beginning and end of leave. After arriving at an emergency location, the Associate must provide the Company with an estimate of the amount of time needed to complete the emergency mission. The Associate also must report any necessary changes in the time required to complete the mission. The Company may require certification from the proper military authority to verify the Associate's eligibility for the Civil Air Patrol Leave requested.

Health insurance and other benefits for an Associate on Civil Air Patrol Leave shall continue as long as the Associate continues to pay the employee's portion of those benefit premiums. With certain exceptions, Associates who return to work from an approved Civil Air Patrol Leave within the time frame allowed by law will be returned to their job or an equivalent position with like benefits, pay, status, seniority, and other terms and conditions of employment.

Maryland Family Military Leave

An Associate who has worked at least 1,250 hours during the preceding 12 months may take leave from work on the day that an immediate family member of the employee is leaving for, or returning from, active duty outside the United States as a member of the Armed Forces of the United States. The Associate will not be required to use compensatory, sick, or vacation leave for this purpose.

Maryland Disaster and Emergency Services Leave

An Associate will be permitted to take unpaid leave to participate in an activity of a civil air patrol, civil defense, volunteer fire department, or volunteer rescue squad if the activity is in response to an emergency that the state governor declares on the request of the governing body of a county or municipal corporation and the Associate submits written proof that his or her participation was required.

Voting Leave

An Associate does not have two scheduled continuous hours off duty during the time that the polls are open on Election Day, he or she may take two hours of paid leave to cast a ballot on Election Day. The employee may be required to provide the Company with a form prescribed by the State Board as proof that he or she has voted or attempted to vote.

4.2 SICK LEAVE

Maryland Flexible Leave Act

Associates primarily employed in Maryland may use any accrued sick, vacation or other accrued paid time off for the purpose of caring for an ill parent, spouse, or child. For purposes of this policy, "child" means an adopted, biological, foster child, stepchild, or a legal ward who is under the age of 18 or at least 18 years old and incapable of self-care due to a mental or physical disability. For purposes of this policy, "parent" means an adoptive, biological, or foster parent, a stepparent, a legal guardian or a person standing in loco parentis. To the extent the Associate has more than one form of paid leave available, the Associate may elect the type and amount of paid leave to be used for this purpose. Associates may only use leave with pay that has been earned. This policy does not limit or extend the maximum period of leave an Associate has under the federal Family and Medical Leave Act.

4.9 PREGNANCY ACCOMMODATION

If an Associate requests a reasonable accommodation because she is pregnant or has a medical condition caused or contributed to by pregnancy or childbirth, the Company will explore all possible means of providing the requested reasonable accommodation. Potential accommodations may include changing job duties, changing working hours, relocating the work area, providing mechanical or electrical aids, transferring the Associate to a less strenuous or less hazardous position, or providing leave. The Company has no obligation to provide a requested accommodation if it would impose an

undue hardship on the Company. If an employee requests a transfer to a less strenuous or less hazardous position, the Company will allow the transfer for the duration of the pregnancy to the same extent it allows such transfers for employees with other temporary medical conditions. An Associate with a medical condition caused or contributed to by pregnancy or childbirth must provide certification from a health care provider regarding the medical advisability of any requested accommodation.

If an Associate requests a reasonable accommodation because she is pregnant or has a medical condition caused or contributed to by pregnancy or childbirth, the Company will explore all possible means of providing the requested reasonable accommodation. Potential accommodations may include changing job duties, changing working hours, relocating the work area, providing mechanical or electrical aids, transferring the Associate to a less strenuous or less hazardous position, or providing leave. The Company has no obligation to provide a requested accommodation if it would impose an undue hardship on the Company. If an Associate requests a transfer to a less strenuous or less hazardous position, the Company will allow the transfer for the duration of the pregnancy to the same extent it allows such transfers for employees with other temporary medical conditions (such as workplace injuries).

An Associate with a medical condition caused or contributed to by pregnancy or childbirth must provide certification from a health care provider regarding the medical advisability of any requested accommodation. The certification must include:

- (1) the date the reasonable accommodation became medically advisable;
- (2) the probable duration of the reasonable accommodation; and
- (3) an explanatory statement as to the medical advisability of the reasonable.

5.7 Maryland Drug Testing

The Company may screen Associates and job applicants for the use of any controlled dangerous substance. If the Company, for job related reasons, requires an individual to be tested for a controlled dangerous substance, it must: (1) have the specimen tested by a laboratory that holds a Maryland license in the discipline of job-related controlled dangerous substances testing; and (2) inform the person of the name and address of the laboratory that will test the specimen. At the individual's request, the Company will, at the time of testing, inform the individual of the name and address of the laboratory that will test the specimen.

If the Company receives notice from the laboratory that the individual has tested positive for the use or abuse of any controlled dangerous substance, it must, after confirmation of the test result, provide the individual with: (1) a copy of the laboratory test indicating the test results; (2) a copy of its written policy on the use or abuse of controlled dangerous substances by employees; (3) a written notice of its intent to take disciplinary action, terminate employment, or change the conditions of continued employment; and (4) a statement or copy of the provisions of Maryland law permitting an employee to request independent testing of the same sample for verification. This information will be delivered to the employee either in person or by certified mail within 30 days from the date the test was performed.

Following voluntary disclosure and documentation by an applicant of the taking of a legally prescribed medication, an employer may hire the applicant pending confirmation of a positive test result by the medical laboratory and review by the employer's medical review officer.

5.13 POLYGRAPH TESTING

Under Maryland law, an employer may not require or demand, as a condition for employment, prospective employment, or continued employment, that an individual submit to or take a lie detector or similar test.

MASSACHUSETTS

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Massachusetts state law prohibits discrimination on the basis of ancestry or national origin, race or color, religious creed, age (40 and over), handicap, physical or mental disability, genetic information, sex (including but not limited to pregnancy, childbirth, and pregnancy-related medical conditions, and use of maternity leave, and persons who are transgendered), or sexual orientation.

2.4 PAY POLICIES

It is the policy and practice of the Company to provide Massachusetts Associates with an unpaid, duty-free uninterrupted meal break of at least 30-minutes within six hours of beginning work. Another meal break will be provided if the Associate works another six hours after resuming work.

Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.10 TERMINATION OF EMPLOYMENT

Massachusetts law requires employers to pay Associates all wages due on the date of discharge if the Associate is involuntarily discharged. If the Associate voluntarily quits, the Company may pay the Associate on the next regular payday.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Maternity Leave

A female Associate who has been employed by the Company for at least 3 consecutive months as a full-time employee, is eligible to take up to 8 weeks of unpaid maternity leave to give birth or to adopt a child.

Associates returning from maternity leave are entitled to be restored to their previous, or a similar, position with the same status, pay, length of service credit, and seniority unless other employees of equal length of service credit and status in the same or similar position have been laid off due to economic conditions or other changes in operating conditions during the period of leave.

Associates temporarily disabled by pregnancy, miscarriage, abortion, childbirth, or recovery are, for all job-related purposes, eligible for benefits under the Company's health insurance, temporary disability insurance, or sick leave plan.

Family Obligation Leave

Associates eligible to take FMLA leave are also eligible to take up to 24 hours of unpaid leave for family obligations that include school visitation and routine checkups of children or family members over age 60. The leave may be taken intermittently or on a reduced leave schedule.

Domestic Violence Leave

Associates are eligible to take up to 15 days of unpaid Domestic Violence Leave in any 12-month period to seek medical attention, counseling, victim services, legal assistance, and for other issues directly related to abusive behavior against Associate or Associate's family member. For purposes of this policy, "family member" means Associate's spouse, significant other who resides in Associate's household, parent of Associate's child, or Associate's parent, step-parent, child, step-child, sibling, grandparent, grandchild, or person in a guardianship relationship.

Associates who wish to take Domestic Violence Leave must first exhaust all accrued PTO. Associates must provide as much advance notice as possible of the intended dates of the Domestic Violence Leave, unless there is a threat of imminent danger to the health or safety of the Associate or a member of the Associate's family. If Associate does not provide advance notice due to an imminent danger, notice must be provided within three work days that the leave was taken under this policy. The Company may require Associate to provide documentation, such as a court order, police report, medical documentation, or sworn statement, evidencing that the Associate or Associate's family member has been a victim of abusive behavior. Except as required or permitted by law, all information related to Associate's leave under this policy will be kept confidential.

Health insurance and other benefits for an Associate on Domestic Violence Leave shall continue as long as Associate continues to pay the employee's portion of those benefit premiums. With certain exceptions, Associates who return to work from an approved Domestic Violence Leave within the time frame allowed by law will be returned to their job or an equivalent position with like benefits, pay, status, seniority, and other terms and conditions of employment.

5.13 POLYGRAPH TESTING

Massachusetts prohibits the Company from subjecting Associates or any applicant applying to the Company for employment to take a polygraph test.

MINNESOTA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Minnesota state law prohibits discrimination on the basis of national origin, race or color or creed, religion, age (18 to 70), disability, actual or perceived sexual orientation, membership or activity in a local human rights commission, public assistance status, genetic test results, marital status, or sex, including sexual harassment, pregnancy, childbirth, and other pregnancy-related conditions. Minnesota law also prohibits discrimination on the basis of use of lawful consumable products off the Company's premises during nonworking hours, unless it (a) relates to a bona fide occupational requirement and is reasonably related to the employment responsibilities, or (b) is necessary to avoid a conflict of interest or the appearance of a conflict of interest with any responsibilities the employee owes to the employer. Minnesota law also prohibits discrimination based on a person's familial status. "Familial status" means having one or more minor children living with (1) their parent or parents or the minor's legal guardian or (2) the designee of the parent or parents or guardian with the written permission of the parent or parents or guardian. This protection also applies to any person who is pregnant or is in the process of securing legal custody of a minor.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.4 PAY POLICIES

Associates are entitled adequate break time within each four consecutive hours of work to utilize the nearest convenient restroom.

Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods.

Non-exempt Associates are entitled to take one ten minute rest break for each four consecutive hours of work. Rest periods of less than 20 minutes may not be deducted from total hours worked.

The Company will provide nursing mothers with a room or other location where she can express milk in privacy. This location will (1) not be a bathroom or bathroom stall; (2) be shielded from view, free from intrusion; and (3) include access to an electrical outlet for expressing milk.

Associates are permitted to disclose their wages to others. Under Minnesota law, employers cannot (1) prohibit employees from disclosing their wages as a condition of employment; (2) require employees to sign waivers or other documents that purport to deny an employee the right to disclose his or her wages; or (3) take adverse action against employees for disclosing their own wages or discussing another employee's wages that have been disclosed voluntarily. Associates' remedies under Minnesota's Wage Disclosure Protection law are to bring a civil action against the Company and/or file a complaint with the Minnesota Department of Labor and Industry at (651) 284-5070 or 1-800-342-5354.

Under no circumstances will an Associate who in good faith reports alleged violations of the Company's pay policies, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.10 TERMINATION OF EMPLOYMENT

Minnesota state law requires employers to pay any unpaid wages earned to Associates who voluntarily terminate their employment on the next scheduled payday. If the next regularly scheduled payday is less than 5 calendar days after the employee's last day, full payment may be delayed until the second regularly scheduled payday, but may not exceed a total of 20 calendar days following the Associate's last day. Associates who are terminated involuntarily will receive their pay on the next regularly scheduled payday or on the first business day following the Company's receipt of written demand for earned wages. If the Associate is in a sales position commissions earned through the last day of employment must be paid within 3 business days of termination.

3.8 DIRECT DEPOSIT

Associates who are residents of Minnesota are required to receive payment via direct deposit. Each Associate must provide a bank routing number and account number via MyInfo. Associates may opt out of direct deposit by notifying the Payroll Department in writing.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Minnesota Parental Leave

Under the Minnesota Parental Leave Act Associates who have worked at least one-half of their regularly scheduled work hours in the 12 consecutive months preceding the need for leave, are eligible for up to twelve (12) weeks of unpaid leave for birth/adoption of a child. Female employees may use this leave for prenatal care or if they are incapacitated due to pregnancy, childbirth, or a related condition. If the Associate is eligible for FMLA leave, this leave will run concurrently with FMLA as that leave is described in 4.8 of this Associate Reference Guide.

All leaves for the birth or adoption of a child must begin within 6 weeks of the birth or placement of the child (unless the child is hospitalized longer). An Associate requesting Parental Leave must first utilize all of his or her vacation and personal time. The Company will coordinate payment of accrued time with any short-term disability benefits for which the Associate is eligible. It is the Associate's responsibility to apply for any available disability benefits.

Health Insurance and other benefits for an Associate on Parental leave shall continue as long as the Associate continues to pay the Associate's portion of those benefit premiums.

The Associate must contact the appropriate department to arrange for Parental leave in advance and all appropriate paperwork must be completed prior to the beginning of the leave. If leave is for the birth of a child, on the first day of return to work, the Associate must provide written certification from her medical provider certifying her ability to return to work.

An Associate granted Parental Leave is guaranteed the right to return to her original or similar position at the end of the leave. The maximum length of a Parental Leave shall be twelve (12) weeks or as otherwise required by law.

The Company will provide reasonable accommodations to an Associate for conditions related to pregnancy, childbirth, or related health conditions, if an Associate requests accommodation, with the advice of her healthcare provider. An employee does not need to get advice from her healthcare provider to request accommodations for more frequent restroom breaks, snack or water breaks, seating, or limits on lifting more than 20 pounds. The Company will not retaliate against employees for requesting or obtaining accommodations.

Victim/Witness Leave

State law allows Associates who are victims or witnesses to a crime and who are subpoenaed or requested by the prosecutor to attend court for the purpose of giving testimony, reasonable unpaid time off to attend criminal proceedings relating to the victim's case. Furthermore, Associates who are victims of a violent crime or an immediate family member of a victim are allowed unpaid time off to attend criminal deal with issues relating to legal proceedings. Associates are required to provide forty-eight (48) hours' notice and may substitute their accrued or earned vacation, personal, sick time in lieu of unpaid leave status for leave taken under this Act. Associates must provide all appropriate documentation as required by the Company's Leave of Absence policies and/or the regulation.

School Conference and Activities Leave

Associates will be granted up to sixteen (16) hours of unpaid leave in any twelve (12) month period to attend school conferences or school activities related to the Associate's child, provided the conference or activities cannot be scheduled during non-working hours. Associates must provide reasonable notice to their supervisor by completing a Time-Off Request Form. Associates may substitute their accrued or earned vacation or personal time for leave taken under this statute.

Leave for Associate who is an Immediate Family Member of Military Personnel Injured or Killed in Active Service

Minnesota Associates shall be granted up to ten (10) working days of unpaid leave if an immediate family member, who is a member of the U.S. armed forces, has been injured or killed while engaged in active service. Immediate family member includes a parent, child, grandparent, sibling, or spouse.

Unless the leave would unduly disrupt the operations of the employer, Minnesota Associates are also entitled to an unpaid leave if an immediate family member has been ordered into active service in support of a war or other national emergency. Associates are only entitled to use such leave to attend a send-off or homecoming ceremony not to exceed one day's duration in any calendar year.

The Associate must contact the appropriate departments to arrange for this leave in advance, if practicable, and all appropriate paperwork must be completed prior to the beginning of the leave.

Associates must exhaust all accrued or earned vacation or personal time for leave taken under this statute.

Civil Air Patrol Service Leave

Associate is eligible for an unpaid leave of absence for time spent serving as a member of the state's civil air patrol, provided the Associate has worked an average of 20 or more hours per week for the Company.

Bone Marrow and Organ Donation Leave

Minnesota law allows Associates who seek to undergo a medical procedure to donate bone marrow or an organ a paid leave of absence not to exceed 40 work hours unless agreed to by the Company. The Company may require verification by a physician of the purpose and length of each leave requested by the employee to donate bone marrow. If it is determined that an Associate is ineligible for a donation, leave already taken is not forfeited.

4.2 SICK LEAVE

Minnesota Associates may use their accrued yearly sick leave for the purpose of attending to a child, adult child, spouse, sibling, parent, parent-in-law, grandparent, grandchild, or stepparent who is ill or injured. Leave for this purpose may not be taken until it has actually accrued.

All conditions and restrictions placed on an Associate's use of sick leave applies to such leave used for the care of a child, adult child, spouse, sibling, parent, parent-in-law, grandparent, grandchild, or stepparent.

Accrued personal sick leave time may be used for "safety leave," which is leave for the purpose of providing or receiving assistance because of sexual assault, domestic abuse, or stalking. Associates may take safety leave to obtain their own assistance or to obtain assistance for a relative covered by this sick leave policy.

4.5 VOTING AND ELECTION RELATED LEAVE

Associates will be granted paid time off for the time necessary to appear at their polling place, cast a ballot, and return to work.

An Associate who is selected to serve as an election judge pursuant to state law is entitled to paid leave for time necessary to serve as an election judge. The Company may reduce the Associate's salary/wages by the amount paid to the election judge by the appointing authority during the time the employee was absent from the place of employment. Associates must fill out a Time-Off Request Form, provide all appropriate documentation under the Company's policies and/or state law, and must request this leave in advance if possible. The Associate's Time-Off Request Form must be accompanied by a certification from the appointing authority stating the hourly compensation to be paid the Associate for service as an election judge and the hours during which the Associate will serve. An employer may restrict the number of persons to be absent from work for the purpose of serving as an election judge to no more than 20 percent of the total work force at any single worksite.

Company Associates elected to public office are eligible for time off from regular employment to attend meetings required by their official duties. Such time off will be unpaid, but the Company will make an effort to allow Associates elected to office to make up the hours missed.

4.9 Pregnancy Accommodations

The Company will provide reasonable accommodations to a female associate for health conditions related to pregnancy or childbirth if she requests, with the advice of her licensed healthcare providers or certified doula. The Company is not required to provide an accommodation if it would impose an undue hardship on its business. Pregnant associates are not required to consult their healthcare providers or doulas, nor may the Company claim undue hardship, for the following accommodations: (1) more frequent restroom, food, and water breaks; (2) seating; and (3) limits on lifting over 20 pounds. The Company must engage in an interactive process with respect to the associate's request for reasonable accommodation, and the Company may not require an associate to take leave or to accept an accommodation. The Company may not retaliate against associates for requesting or obtaining a pregnancy accommodation. Minn. Stat. 181.9414.

5.7 SUBSTANCE ABUSE POLICY

Purpose and Coverage

The Company values its employees and customers and recognizes the need for a safe, productive and healthy work environment. Associates who abuse drugs are less productive, less dependable, and are a critical threat to the safety, security and welfare of the Company, its Associates, customers, vendors, those who do business with the Company, as well as the general public. The establishment of a Drug-Free Workplace Policy ("policy") is consistent with the Company's desire to provide a safe, productive work environment for our Associates.

Accordingly, it is the policy of the Company to maintain a workplace free from the use and abuse of drugs. The Company will require that all Associates and applicants participate in, consent and comply with the terms of this policy as a condition of employment and continued employment. If questions arise regarding this policy, please direct them to the Human Resources Director.

This policy covers all Minnesota Associates of the Company. This policy, by its terms, also covers applicants insofar as applicants, after a conditional offer of employment has been made, are required to consent to, take and participate in a pre-employment test. Applicants, however, are not entitled to participate in any Rehabilitation Program offered by the Company to its Associates.

Non-Discrimination

In accordance with the requirements of the Americans with Disabilities Act, the Company does not discriminate against Associates or applicants who are qualified individuals with a disability who are not currently engaged in use of illegal drugs and who do not otherwise violate the provisions of this policy, including but not limited to individuals who: 1) have successfully completed or who are currently participating in a supervised rehabilitation program and are no longer engaging in such use; or 2) have otherwise been rehabilitated successfully and are no longer engaging in such use.

Inspections

The Company reserves the right to inspect Company vehicles, premises, and property (including offices, desks, lockers and other repositories) and personal effects (such as lunch boxes/bags, purses, gym

bags, backpacks, handbags, briefcases, packages or coats) where there is reasonable cause to believe that an Associate has violated this policy. This policy will extinguish and eliminate any continuing expectation of privacy where reasonable cause exists to believe that there has been a policy violation. Where reasonably practical, inspections will be conducted in the presence of the Associate implicated in the potential policy violation.

Definitions

Drug means a controlled substance as defined in Minnesota Statutes, Section 152.01, Subdivision 4 and Section 152.02, but excluding substances listed in those sections that are not also listed in Schedules I through V of Section 202 of the Controlled Substances Act, 21 U.S.C. § 812. The term "drug" includes cocaine, opiates, marijuana, amphetamines, phencyclidine (PCP), barbiturates, methadone and methaqualone. The term "drug" does not include the use of a drug obtained and taken under supervision by and in accordance with prescriptions or other instructions issued by a licensed health care professional and other drugs otherwise authorized to be used under the Controlled Substances Act or Sections 152.01 and 152.02 of the Minnesota Statutes.

Under the influence of drugs means the presence of any detectable amount of an illegal drug or its metabolites demonstrated by a verified positive drug test result.

Testing

The Company reserves the right, within the limits of federal and state laws, to examine and test for the presence of drugs. Under the conditions of this policy, applicants or Associates may be asked to submit to a medical examination and/or submit to urine, saliva, and/or blood testing for drugs. The Company may test for drugs in the following circumstances:

Applicant Testing

Following a conditional job offer, all applicants must undergo drug testing. If the job offer is withdrawn, The Company will inform the job applicant of the reason for its action.

Routine Physical

Associates may be requested or required to undergo drug testing as part of a routine physical examination up to one (1) time annually so long as the Associate is given at least two (2) weeks' notice that a drug test may be requested or required as part of the physical examination.

Treatment Program Testing

Associates referred by the Company for treatment or evaluation will be required to sign a Return to Work Agreement and be subject to follow-up testing. All referred Associates will be subject to unannounced testing for the illegal use of drugs when such drug testing is job-related and consistent with business necessity. Follow-up testing applies during the evaluation or treatment period and for the two (2) year period following the completion of the treatment program. Follow-up testing may include a return-to-duty test.

Procedural Requirements:

Notice of Test

Before requesting a drug test, the Company will provide the Associate or applicant with a "DFWP Acknowledgment of Receipt of Policy and Consent to Testing," on which the Associate or applicant can acknowledge that he or she has seen the Company's drug policy.

Test Refusal

An Associate or applicant has the right to refuse testing. However, a refusal to test will be treated as a failure to comply with the Company's policy and may result in withdrawal of a job offer or disciplinary action up to and including termination of employment.

Notice of Negative Test Results

Within three (3) working days after receipt of a negative test result from the testing laboratory, the Company will inform an applicant or Associate, in writing, of: (1) the negative test result on the initial screening test or the confirmatory test; and (2) the right to request and receive a copy of the test result report.

Notice of Positive Test Results

Within three (3) working days after receipt of a confirmed positive test result from the testing laboratory, the Company will inform an applicant or Associate, in writing, of: (1) the positive test result on the confirmatory test; (2) the right to request and receive a copy of the test result report; (3) the right to explain the positive result (described below in "Explaining Positive Test Results"); and (4) the right to request a confirmatory retest of the original sample, at his or her own expense.

Explaining Positive Test Results

Within three (3) working days after notice of a positive drug or alcohol test result on a confirmatory test, the Associate or applicant may submit information to the Company to explain the positive result. Additionally, after a positive test result, the Company can request the Associate or applicant indicate any over-the-counter or prescription medication he or she is currently taking, or has recently taken, as well as any other information relevant to the reliability of, or explanation for, a positive test result.

Confirmatory Retest

Associate or job applicant may request a confirmatory retest of the original sample, at his or her own expense. Within five (5) working days of receiving notice of the confirmatory results, the Associate or applicant must make this request and notify the Company, in writing, of the intention to obtain a confirmatory retest.

Within three (3) working days of receiving the individual's notice to retest, the Company will notify the original testing laboratory that the Associate or applicant has requested that the lab conduct a confirmatory retest or arrange for transfer of the sample to the laboratory selected by the individual to perform the confirmatory retest, provided that the laboratory selected must be licensed in accordance with Minnesota Statute § 181.953. If the confirmatory retest does not confirm the original positive test, the Company cannot take any adverse personnel action based on the original test.

Policy Prohibitions

Associates are strictly prohibited from engaging in the conduct listed below. Associates violate this policy by engaging in the following conduct, whether or not during work time or on the Company premises or property:

- a) bringing and/or storing (including in a desk, locker, automobile, or other repository) illegal drugs or drug paraphernalia on the Company's premises or property, including the Company's owned or leased vehicles, in vehicles used for the Company purposes or a customer's premises;
- b) having possession of, being under the influence of, testing positive for, or otherwise having in one's system, illegal drugs;

- c) using, consuming, transporting, distributing or attempting to distribute, manufacturing, selling or dispensing illegal drugs;
- d) a conviction or plea of guilty relative to any criminal drug offense. All Associates must notify the Company in writing of any criminal drug conviction no later than five (5) calendar days after such conviction;
- e) abuse of prescription drugs which includes exceeding the recommended prescribed dosage or using others' prescribed medications;
- f) switching, tampering with or adulterating any specimen or sample collected under this policy, or attempting to do so;
- g) refusing to cooperate with the terms of this policy which includes submitting to questioning, drug testing, medical or physical tests or examinations, when requested or conducted by the Company or its designee, is in violation of the Company's policy and subject to disciplinary action, up to and including termination. A refusal to test includes conduct obstructing testing such as failure to sign necessary paperwork, failing to report to the collection site at the appointed time and failing to be reasonably available for a post-accident test;
- h) failure to consent to, participate in and abide by the terms and recommendations of any rehabilitation program to which the Company makes a referral, including but not limited to, failure to follow recommendations, if any, regarding behavior modification and abstinence. These failures are a violation of this policy, as is any failure to be available for any prescribed continuing or follow-up sessions;
- i) failure to advise a supervisor or manager of the use of a prescription or over-the-counter drug which may alter the Associate's ability to perform the essential functions of his or her job is a violation of this policy; or
- j) failure of Associates to notify his or her supervisor before going to work if he or she believes that he or she is under the influence of drugs.

Consequences for Policy Violations

Associates who engage in any of the prohibited conduct listed above are in violation of this policy and are subject to discipline, up to and including termination, at the Company's sole discretion. The Company will not discharge an Associate if the Associate tests positive on a confirmatory test and the confirmed positive is the first such result under the Company's policy (i.e., a first-time offender). Instead, the Company will give the Associate an opportunity to participate in, at the Associate's expense, counseling or rehabilitation.

The Company may discharge an Associate who refuses to participate in counseling or rehabilitation, or has failed to successfully complete the program as evidenced by withdrawal from the program before its completion, or has a positive test result on a confirmatory test after completing the rehabilitation program.

The Company may temporarily suspend the tested Associate or transfer that Associate to another position at the same rate of pay pending the outcome of the confirmatory test and, if requested, the confirmatory retest; where the Company believes it is necessary to protect the health or safety of the Associate, co-Associates or the public. All positive initial tests *must* be verified by a confirmatory test before discipline is imposed or a conditional job offer is withdrawn.

Voluntary Treatment and Counseling

We encourage all Associates who need assistance in dealing with drug abuse dependency problems to seek counseling through the various private and public agencies that are available. Associates who come forward to request treatment or leaves of absence for treatment will not be subject to discipline. Costs associated with any rehabilitation program are entirely the Associate's sole responsibility. The Company will comply with any applicable medical leave law, disability discrimination law or applicable leave policy in the event leave is requested. Except as otherwise required by such laws or policies, the Company cannot guarantee that the Associate will return to the same or a comparable position upon return to duty.

Associates may not escape discipline by first requesting such treatment and/or leaves after being selected for testing or violating the Company's policies and rules of conduct. Nor will such requests, leaves or participation in treatment or counseling excuse Associates from compliance with normal standards of performance or conduct. Requests for voluntary treatment or counseling and related matters will be kept confidential in accordance with any applicable federal and/or state law requirements.

Confidentiality and Privacy

A laboratory will only disclose to the Company the test result data regarding the presence or absence of drugs. All drug test results are reported to the Company's DPC and will remain and be considered confidential. Results will only be disclosed on a need-to-know basis and as allowed by law and retained in a secure location with controlled access.

The Company will not disclose test result reports and other information acquired in the testing process to another employer, to a third-party individual, governmental agency or private organization without written consent of the individual tested, except that evidence of a positive test result on a confirmatory test may be used in relevant judicial, administrative, or arbitration proceedings; as required by federal law, regulation, or order; for the purpose of evaluation or treatment of the individual to a substance abuse treatment facility; or as otherwise authorized by law. Positive test results cannot be used as evidence in a criminal action against the Associate or applicant tested.

The Company will attempt to ensure that all aspects of the testing process, including specimen or sample collection, are as private and confidential as reasonably practical. Associates or applicants will not be observed while providing a urine specimen unless there is reason to believe the Associate or applicant has tampered with, adulterated, switched or attempted to tamper with, adulterate or switch a urine specimen.

Consent

As a condition of continued employment, Associates must sign a consent form (a copy of which is attached hereto and made a part hereof).

Reservation of Rights

This policy supersedes and revokes any other Company practice or policy relating to the use of drugs alcohol in the workplace and drug testing. The Company reserves the right to interpret and administer this policy, and at any time and at its sole discretion, amend, supplement, modify, revoke, rescind or change this policy, in whole or in part, with or without notice and with or without consideration. This policy is not an express or implied contract of employment nor is it to be interpreted as such. Additionally, this policy does not in any way affect or change the status of any at-will Associate. At-will Associates continue to be free to terminate their employment or resign from employment at any time

and the Company continues to be free to terminate Associate, with or without cause, with or without notice, for any lawful reason or for no reason at all. Nothing in this policy is a promise or guarantee or should be construed as a promise or guarantee that the Company will follow in any particular circumstances any particular course of action, disciplinary, rehabilitative or otherwise.

DFWP ACKNOWLEDGEMENT OF RECEIPT OF POLICY AND CONSENT TO TESTING

I certify that I have received, read and understand the Company's Drug-Free Workplace Policy.

I agree to comply with the Company's policy on drugs and understand failure to comply is grounds for disciplinary action, up to and including termination.

I consent to submit to drug testing as outlined in the Company's policy.

I consent to provide specimens at the assigned collection site(s) and further consent to have urine specimens tested for drugs at a U.S. Department of Health and Human Services/Substance Abuse and Mental Health Services Administration (DHHS/SAMHSA)-certified laboratory.

I consent to the release of the drug test results in accordance with the Company policy to the selected Medical Review Officer (MRO), to the Company's third-party administrator (currently _____), to and within the Company on a need-to-know basis, and/or to additional parties in accordance with my written authorization or as otherwise required by applicable federal or state law.

I will be given an opportunity to discuss a positive drug test result with the MRO before the result is reported to the Company as a verified positive.

Associate Name: _____

Associate Social Security Number: _____

Associate Signature: _____

Company Name: _____

I am the parent/guardian of _____, and I acknowledge that I understand the Company's Drug-Free Workplace Policy. I hereby consent to his/her participation in the Company's Drug-Free Workplace Program.

Parent/Guardian Signature: _____ Date: _____

NOTE: This certificate should be retained in a secured file.

DFWP CONSENT TO TESTING

I certify that I have received, read and understand the Company's Drug-Free Workplace Policy.

I consent to submit to drug testing as outlined in the Company's policy.

I consent to provide specimens at the assigned collection site(s) and further consent to have urine specimens tested for drugs at a U.S. Department of Health and Human Services/Substance Abuse and Mental Health Services Administration (DHHS/SAMHSA)-certified laboratory.

I consent to the release of the drug test results in accordance with the Company policy to the selected Medical Review Officer (MRO), to the Company's third-party administrator (currently _____), to and within the Company on a need-to-know basis, and/or to additional parties in accordance with my written authorization or as otherwise required by applicable federal or state law.

I will be given an opportunity to discuss a positive drug test result with the MRO before the result is reported to the Company as a verified positive.

Associate Name: _____ Date: _____

Associate Social Security Number: _____

Associate Signature: _____

Company Name: _____

I am the parent/guardian of _____, and I acknowledge that I understand the Company's Drug-Free Workplace Policy. I hereby consent to his/her participation in the Company's Drug-Free Workplace Program.

Parent/Guardian Signature: _____ Date: _____

NOTE: *This certificate should be retained in a secured file.*

5.8 HUMAN RESOURCES RECORDS ACCESS

Minnesota state law permits Associates to inspect and copy records of compensation, discipline, evaluation, promotion, deduction authorization, benefits, leave, transfer, attendance and retirement.

Associates may make a review request once every six months. The Company reserves the right to deny an Associate's request to review his/her personnel records if such request is not made in good faith, and reserves the right to restrict access to certain categories of documents as permitted by law. Associates will be provided with an inspection opportunity within seven working days after receipt of the request if the personnel records are located within Minnesota, or no later than fourteen working days after the request if the personnel records are located in another state. After the Associate's review and upon the Associate's written request, the Company will provide the Associate with a copy of the records.

Separated Associates may receive a copy of their personnel records upon written request, up to once per year, for as long as the records are maintained.

If an Associate disputes any specific information contained in his or her personnel record, he or she may ask the Company to remove or revise the disputed information. If the Company does not agree, the Associate may submit a written statement, not to exceed five written pages, specifically identifying the disputed information and explaining the Associate's position. The Company will retain the Associate's statement along with the disputed information, and the Company will provide a copy of the statement to any person to whom it provides a copy of the disputed information. If, in providing records for an Associate's review, the Company omits any information that should be in those records, the Company may not use the omitted information in any subsequent legal proceeding, unless the omission was unintentional and the Company provides the Associate with a reasonable opportunity to review the omitted information prior to its use.

The Company will not retaliate against Associates for asserting their rights under the state law described in this Section.

5.13 POLYGRAPH TESTING

Minnesota law limits the use of polygraph tests, or voice stress analysis as a condition of employment or continued employment.

MONTANA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Montana law prohibits discrimination on the basis of age, race, color, national origin, religion, creed, physical or mental disability, marital status, sex, political belief (in government).

2.10 TERMINATION OF EMPLOYMENT

After satisfactory completion of the Introductory Period, an Associate's employment will not be terminated except for good cause based on reasonable job-related grounds including, but not limited to, failure to satisfactorily perform job duties, disruption of the Company's operations, or any other legitimate business reason.

4.1 LEAVES OF ABSENCEMaternity Leave

Montana law makes it unlawful for the Company to (1) discharge an Associate because of her pregnancy; (2) refuse to grant an Associate a reasonable leave of absence for her pregnancy; (3) deny an Associate who is disabled because of pregnancy any compensation to which she is entitled as a result of accrued disability or leave benefits; or (4) require an Associate to take mandatory maternity leave for an unreasonable length of time. After returning from maternity leave, an Associate must be reinstated to her former position or an equivalent position with equivalent pay, accumulated seniority, retirement, fringe benefits, and other service credits, unless the Company's circumstances have so changed as to make it impossible or unreasonable to do so.

Military Leave

Associates who are members of the National Guard and military reserve are eligible for leave for duty, training, and for time spent recovering from illness or injury incurred while performing active duty. Associates who take such leave are eligible for reinstatement to the same seniority, status, pay, health insurance, pension and other benefits as the Associate would have accrued if the Associate had not been absent for the state active duty. However, the Company is not required to reinstate the Associate if (1) the Associate is no longer qualified to perform the position; (2) the Associate's position was temporary and the temporary employment period has expired; (3) the Associate did not request to return in a timely manner; (4) the Company's circumstances have changed so significantly that the Associate's continued employment cannot be reasonably expected; or (5) the Associate's return to employment would cause the Company undue hardship. The leave of absence may not be deducted

from any sick leave, vacation leave, military leave, or other leave accrued by the Associate unless the Associate requests the deduction. The Company may, but is not required to, permit accrual of vacation leave and other leave benefits while Associates are on military leave. However, the Associate on military leave may not be provided with lesser leave accrual than the Company provides to all other Associates of the Company in a similar, but nonmilitary leave status.

Crime Victims Leave

Montana prohibits the Company from disciplining or discharging a victim or a member of a victim's family for preparing for, or attending, a criminal justice proceeding. "A member of the victim's family" includes the victim's spouse, child by birth or adoption, stepchild, parent, stepparent, or sibling, but does not include a person who was involved in the crime.

5.13 POLYGRAPH TESTING

Montana law limits the use of polygraph tests as a condition of employment or continued employment.

NEVADA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Nevada law prohibits discrimination on the basis of race, religion, color, national origin, military service, sex, age, disability, sexual orientation, gender identity or expression or genetic information or characteristics. Discrimination is prohibited on the basis of lawful use of any product outside the workplace.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.4 PAY POLICIES

Nevada law requires the payment of overtime at the rate of 1 1/2 times the regular rate of pay whenever an Associate, who received compensation at a rate less than 1 1/2 times the minimum wage rate, works in excess of either 8 hours per day or 40 hours per week. The only exception to the 8 hour standard applies in the event of a mutually agreed upon 10 hour day on a 4 day per week schedule. Associates are entitled to one 10-minute rest period for at least 3 1/2 continuous hours and less than seven continuous hours; two 10-minute rest periods if the Associate works at least seven continuous hours and less than 11 continuous hours; three 10-minute rest periods if the Associate works at least 11 continuous hours and less than 15 continuous hours; or four 10-minute rest periods if the Associate works at least 15 continuous hours and less than 19 continuous hours. Rest breaks should be taken as near to the middle of each four hour work period as practicable.

Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.10 TERMINATION OF EMPLOYMENT

Nevada law requires employers to pay any unpaid wages earned immediately to Associates whose employment is terminated involuntarily. Associates who voluntarily terminate employment will receive unpaid wages by the earlier of the next regular payday or 7 days after resignation.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

School Conference/Emergency Leave

Associates will be given up to four (4) hours unpaid time off per school year to attend parent-teacher conferences, attend school-related activities during regular school hours, volunteer, or otherwise be involved at the school or attend school-sponsored events at the school attended by a child of whom the Associate is a parent, guardian or custodian. When possible, the Associates should notify their supervisor at least five (5) school days in advance of the desired school leave. Associates may also need to take time off from work to attend conferences required by the school administrator, or for emergency purposes involving the child(ren). In unforeseen or emergency circumstances, Associates are asked to provide as much notice as possible of the need for time off. Additionally, the Company requires that associates furnish satisfactory evidence to support the school leave.

4.5 VOTING

Nevada Associates may take paid time off from work to vote, at a time designated by the employer, if it is impracticable to vote before or after his or her hours of employment. A sufficient time to vote shall be determined as follows: (a) If the distance between the Associate's place of employment and the polling place is 2 miles or less, 1 hour; (b) If the distance is more than 2 miles but not more than 10 miles, 2 hours; (c) If the distance is more than 10 miles, 3 hours. Application for such leave shall be made by completing a Time-Off Request Form prior to the day of the election.

5.8 HUMAN RESOURCES RECORDS ACCESS

Nevada law permits Associates to inspect and/or copy their personnel records upon request. The Associate may review records during usual business hours.

5.13 POLYGRAPH TESTING

Nevada law limits the use of polygraph tests as a condition of employment or continued employment.

NEW JERSEY

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

New Jersey law prohibits discrimination on the basis of ancestry or national origin, nationality, race, creed or color, age, actual or perceived mental or physical disability (including AIDS and HIV-related status), marital status, civil union status, domestic partnership status, affectional or sexual orientation, pregnancy, atypical hereditary cellular or blood trait, genetic information or refusal to submit to a genetic test or make the results of a genetic test available to an employer, service in armed forces, sex or gender identity or expression. Discrimination against smokers and against those who display the American flag on their person or in their workstation is also prohibited.

4.8 NEW JERSEY SPECIFIC LEAVES OF ABSENCE**New Jersey Family Leave Act Policy ("NJFLA")**

In addition to leave permitted under the Family and Medical Leave Act ("FMLA"), Associates in New Jersey may be entitled up to 12 weeks of unpaid leave in a 24-month period under the NJFLA.

Eligibility

To be eligible for NJFLA leave, an Associate must have been employed in New Jersey for at least 12 months and must have worked at least 1000 hours in the 12 months period immediately preceding the leave.

Leave Entitlement

An eligible Associate is generally entitled to 12 work weeks of unpaid leave in a 24-month period for the following reasons:

1. To care for a family member with a serious health condition; or
2. To care for a newborn or newly adopted child.

NJFLA leave taken to care for a new born or newly adopted child must be commenced (not completed) within 12 months of the birth or adoption.

NJFLA Definitions

Definitions under the NJFLA are generally the same as under the Family and Medical Leave Act (FMLA) except:

- “**Child**” under the NJFLA means a biological, adopted, foster, or resource family child, stepchild, legal ward, or child of a parent who is 18 years of age (or over 18 but incapable of self-care because of a mental or physical impairment);
- “**Parent**” under the NJFLA means a person who is the biological parent, adoptive parent, resource family parent, step-parent, parent-in-law or legal guardian, having a “parent-child relationship” with a child as defined by law, or having sole or joint legal or physical custody, care, guardianship, or visitation with a child; and
- “**Family member**” under the NJFLA means a child, parent, spouse, or one partner in a civil union couple.

Coordinating FMLA and NJFLA leave

In some cases an Associate’s leave entitlements under the FMLA and the NJFLA run concurrently and in some cases they do not, depending upon the type of leave taken. For example:

- When an Associate takes a type of leave that is available **only** under the FMLA (for example, leave due to an Associate’s own serious health condition, Caregiver Leave or Active Duty Leave), the leave will only reduce the Associate’s leave entitlements under the FMLA, and will not reduce the Associate’s leave entitlements under the NJFLA. Thus, for example, if an Associate takes 12 weeks of leave due to his/her own serious health condition (a type of leave available only under the FMLA), the Associate will still be entitled to 12 weeks of leave for purposes allowed under the NJFLA during the same 12 month period.
- When an Associate takes a type of leave that is available **only** under the NJFLA (for example, leave to care for a civil union partner or a parent in law with a serious health condition), the leave will only reduce the Associate’s leave entitlements under the NJFLA, and will not reduce the Associate’s leave entitlements under the FMLA. Thus, for example, if an Associate takes 12 weeks of leave to care for a civil union partner (a type of leave available only under the NJFLA), the Associate will still be entitled to 12 weeks of leave for purposes allowed under the FMLA during the same 12 month period.
- However, when an Associate takes a type of leave that is available under **both** the FMLA and the NJFLA (for example, leave following the birth of a child or leave to care for a spouse with a serious health condition) the leave will run concurrently, meaning the leave taken will reduce the Associate’s leave entitlement under both laws simultaneously. Thus, for example, if an Associate takes 12 weeks of leave to care for a spouse with a serious health condition (a type of leave available under both the FMLA and the NJFLA), the Associate will have no additional leave rights during the same 12 month period.

Substitution of Accrued Paid Leave

- NJFLA leaves of absence are generally granted without pay. However, when an Associate takes NJFLA leave, the Associate is required to use any accrued vacation and personal days during an approved leave, and may elect to use any accrued sick days during an approved leave. Once the Associate has exhausted his/her accrued paid time off, the balance of the leave will be unpaid.
- The Company’s requirement that Associates use all accrued PTO while absent on a family or medical leave is modified if an Associate applies and qualifies for Family Leave Insurance (FLI) benefits from the state, as follows:

- The Associate will be required to use two (2) weeks of his/her accrued PTO in lieu of the first two weeks of FLI benefits. This will reduce the Associate's FLI benefit entitlement from 6 weeks to 4 weeks.
- The Associate may elect to use additional weeks of accrued PTO in lieu of additional weeks of FLI benefits. The amount of accrued PTO used will reduce by an equal amount the FLI benefits available to the Associate.
- If an Associate leave continues after the Associate has exhausted his/her FLI benefits, the Associate will be required to use all accrued PTO available to him/her. After exhaustion of all accrued paid leave, the leave will be unpaid.

Please see section entitled "Compensation from the State – FLI Benefits" for a complete discussion of Family Leave Insurance Benefits.

Intermittent/Reduced Schedule Leave

NJFLA leave may be taken on a continuous basis and, under certain circumstances, on an intermittent or reduced work schedule basis.

An Associate is entitled to take NJFLA leave on an intermittent or reduced work schedule basis when certified as medically necessary by a health care provider. When leave is for the planned medical treatment of a serious health condition, the Associate and the Company shall attempt to arrange a schedule for such leave that meets the Associate's needs and the Company's needs without unduly disrupting the operations of the Company, subject to approval of the health care provider.

An Associate is entitled to take leave in connection with the birth or placement of a child through adoption on an intermittent or reduced work schedule basis only with the approval of the Company. Requests for intermittent/reduced work schedule leave in such cases will be considered at the discretion of the Company based on its needs in the department or job which would be affected by such a request.

NJFLA leave taken on an intermittent basis must be completed in a 12 consecutive month period. NJFLA leave taken on a reduced schedule basis must be completed in a 24 consecutive week period.

Requesting and Scheduling Leave

If the need for leave is foreseeable – based upon an expected birth, placement for adoption or planned medical treatment for a family member's serious health condition – Associates must provide the Company with notice no later than 30 days prior to the commencement of the leave, except where emergent circumstances warrant shorter notice. If 30 days' notice is not practical, for example due to a lack of knowledge of approximately when the leave will be required to begin or a change in circumstances, an Associate must give notice as soon as possible and practical under the circumstances.

Associates requesting family leave under the NJFLA must complete a written Leave Request Form. If circumstances prevent an Associate from providing written notice initially, such as when the need for leave is unforeseeable due to a medical emergency, Associates must provide verbal notice as soon as possible and practical. In the event that an Associate provides verbal rather than written notice, the Associate must then provide written notice as soon as possible.

Even in the absence of a request for family leave, the Company will designate leave taken for reasons that qualify as family leave as approved NJFLA leave and charge the leave taken against the Associate's NJFLA leave entitlement.

An Associate requesting a leave for planned medical treatment for a serious health condition of a family member must consult with the Company and make a reasonable effort to schedule the treatment so as not to disrupt unduly the operations of the Company, subject to approval of the health care provider. (See also Intermittent/Reduced Schedule Leave Section).

Required Certifications

At the time an Associate requests family leave under the NJFLA, he/she will be requested to submit the appropriate certification (in some cases the Company's certification request may be made after the Associate's leave request is made, such as in the case of an unforeseen leave).

Associates must return the required certification to Human Resources within 15 days after the requested leave, unless it is not practical under the circumstances. In such cases, Associates must return the completed certification as soon as possible. If an Associate fails to provide timely certification after being requested to do so, the leave request may be denied until the certification is provided.

If the certification submitted is incomplete or insufficient, the Associate will be given written notification of the information needed and will have seven (7) days after receiving such written notice to provide the necessary information, unless it is not practical under the circumstances to do so. If an Associate fails to provide the requested information, the leave request may be denied.

In cases where the Company does not agree with the assessment of an Associate's family member's health care provider, it may require a second opinion from another health care provider at the Company's expense. In the case of a conflict between the first two opinions, the Company may require a third opinion by a health care provider jointly designated by it and the Associate. The third opinion will be binding.

Job/Benefits Protection

- Job Restoration - An eligible Associate who takes leave is entitled, upon return from leave, to be reinstated to his or her previous position of employment, or to an equivalent position with equal pay, benefits and other terms and conditions of employment. There are certain exceptions to this requirement, including in the case of layoffs that occur during leave affecting the Associate's position and in the case of "key employees."
- Associates must notify the Company of their intention to return to work at least two weeks prior their return to work date. An Associate who desires to return to work earlier than scheduled must give the Company at least seven (7) days prior notice of his/her intent.
- Maintenance of Benefits - the Company continues an Associate's health care coverage during the period of the leave. Associates must continue to pay the monthly co-payment for benefits. During any period of time that an Associate is substituting accrued paid leave, the Associate's contributions will be made through normal payroll deductions. If an Associate fails to return after the leave, the Company may recover the actual costs of the health coverage, except if the basis for the failure to return is beyond the Associate's control. The recovery process will be considered on an individual basis and will be up to the discretion of the Company.
- An Associate who takes family leave is not entitled to the accrual of additional benefits or seniority that would have occurred during the period of leave. However, Associates are entitled to accrue hours of service (service credit) during periods of paid leave.

Compensation from the State – Temporary Disability Insurance Benefits

A New Jersey Associate who takes leave because of his/her own serious health condition (which may be available under the FMLA) may be eligible for Temporary Disability Insurance (“TDI”) benefits from the State. TDI benefits are intended to compensate Associates for wage loss suffered as a result of a non-work related illness or injury. Associates who apply and qualify for TDI benefits are eligible to receive a weekly wage set by the State.

Compensation from the State – Family Leave Insurance Benefits

A New Jersey Associate who takes leave to care for a new born child, a newly adopted child, or a family member with a serious health condition may be eligible for Family Leave Insurance (“FLI”) benefits from the State. FLI benefits are intended to compensate an Associate for wage loss suffered while taking these types of family leave. Associates who apply and qualify for FLI benefits are eligible to receive a weekly wage set by the State.

The following additional eligibility terms apply to FLI benefits:

- Associates may receive FLI benefits for a leave taken on a continuous basis. Associates may also receive FLI benefits if they are on an intermittent leave, only if they are caring for a family member with a serious health condition (when certified as medically necessary).
- FLI benefits are payable for up to 6 weeks during a 12-month period when leave is taken on a continuous basis or in intermittent weekly increments. FLI benefits are payable for up to 42 days during a 12-month period when leave is taken in intermittent daily increments.
- Associates must give the Company at least 30 days’ notice prior to commencing leave to care for a new born child or a newly adopted child, unless the commencement time of the leave is unforeseeable.
- Associates must give the Company notice in a reasonable and practical manner prior to commencing leave to care for a family member with a serious health condition, unless an unforeseen emergency precludes prior notice. Associates intending to take such leave on an intermittent basis must give the Company at least 15 days prior notice, unless an unforeseen emergency precludes prior notice.
- Associates may apply for FLI benefits from New Jersey by submitting a claim form to the state.
- Eligibility for FLI benefits is determined by the state of New Jersey, not the Company.

The FLI law does not create leave rights for Associates. Leave rights for Associates are created under the FMLA and the NJFLA. The FLI is only a wage replacement law, which provides payments from the state when an Associate takes leave to care for a new born child, a newly adopted child, or a family member with a serious health condition.

Associates who take leave to care for a new born child, a newly adopted child, or a family member with a serious health condition under the FMLA and/or the NJFLA are permitted to, but not required to apply for FLI benefits from New Jersey. If an Associate elects not to apply for FLI benefits when taking leave to care for a new born child, a newly adopted child, or a family member with a serious health condition, the Company’s normal rules regarding the substitution of paid leave will apply.

An Associate may be eligible for FLI benefits from the State even if he/she is not eligible for family leave under the FMLA or the NJFLA.

The Company may require certification from a health care provider supporting the need for FLI.

Domestic Violence/Sexual Assault Victim Leave Policy

Under the New Jersey Security and Financial Empowerment Act (SAFE Act), an eligible Associate who (1) is a victim of an incident of domestic violence or sexual assault or (2) whose child, parent, spouse, domestic partner or civil union partner (hereinafter "Relative") is a victim of such an incident, is entitled to unpaid leave for various medical and legal purposes, as explained below. This policy is only a summary of an Associate's rights under the SAFE Act. If there are any differences between the SAFE Act and the summary below, the SAFE Act will govern.

Eligibility for Leave

To be eligible for leave, an Associate must have been employed by the Company for at least 12 months and must have worked at least 1,000 hours during the 12-month period immediately preceding the leave.

Reasons for Leave

An eligible Associate may take leave for purposes of:

- Seeking medical attention for, or recovering from, physical or psychological injuries caused by domestic or sexual violence to the Associate or the Associate's relative;
- Obtaining services from a victim services organization for the Associate or the Associate's relative;
- Obtaining psychological or other counseling for the Associate or the Associate's relative;
- Participating in safety planning, temporarily or permanently relocating, or taking other actions to increase the safety of the Associate or the Associate's relative from future domestic or sexual violence or to ensure economic security;
- Seeking legal assistance or remedies to ensure the health and safety of the Associate or the Associate's relative, including preparing for, or participating in, any civil or criminal legal proceeding related to or derived from domestic or sexual violence; or
- Attending, participating in, or preparing for a criminal or civil court proceeding relating to an incident of domestic or sexual violence of which the Associate or the Associate's relative was a victim.

Amount of Leave

Under the SAFE Act, an eligible Associate is entitled to 20 days of unpaid leave during the 12-month period following an incident of domestic violence or sexual assault for any of the reasons stated above. An eligible Associate is also entitled to 20 days of unpaid leave for any subsequent incidents of domestic violence or sexual assault, but no more than 20 days of leave may be taken during any 12-month period. The leave may be taken intermittently in intervals of no less than a day.

Substitution of Paid Leave/Coordination with Other Leave Laws

Associates who take leave under this policy will first be required to use all available accrued PTO. Once an Associate has exhausted his/her accrued PTO, the balance of the leave will be unpaid. Both paid and unpaid leave shall count simultaneously against the Associate's 20-day leave entitlement.

If an Associate requests leave for a reason that is covered by both the SAFE Act and the New Jersey Family Leave Act and/or the federal Family and Medical Leave Act, the leave will count simultaneously against the Associate's entitlement under each respective law.

An Associate who requests leave for a reason that is covered by both the SAFE Act and the New Jersey Family Leave Act may be eligible for Family Leave Insurance benefits from the state. An Associate who requests leave for a reason that is covered by both the SAFE Act and the federal Family and Medical Leave Act may be eligible for Temporary Disability Insurance benefits from the state. See the NJFLA and the FMLA Policy for more details.

Requesting and Scheduling Leave

If the need for leave under this policy is foreseeable, an Associate must provide the Company with advance written notice of the need for leave. The notice must be provided to Human Resources as far in advance as is reasonable and practical under the circumstances.

Required Documentation

An Associate must submit documentation in support of his/her leave request. Any one of the following forms of documentation will be deemed sufficient:

- A domestic violence restraining order or other documentation of equitable relief issued by a court of competent jurisdiction;
- A letter or other written documentation from the county or municipal prosecutor documenting the domestic violence or sexually violent offense;
- Documentation of the conviction of a person for the domestic violence or sexually violent offense;
- Medical documentation of the domestic violence or sexually violent offense;
- Certification from a certified Domestic Violence Specialist or the director of a designated domestic violence agency or Rape Crisis Center, that the Associate or Associate's relative is a victim of domestic violence or a sexually violent offense; or
- Other documentation or certification of the domestic violence or sexually violent offense provided by a social worker, member of the clergy, shelter worker, or other professional who has assisted the Associate or the Associate's relative.

The Company will maintain the confidentiality of any documentation provided by an Associate in support of his/her leave request, and any information regarding a leave taken under this policy and, if applicable, the Associate's failure to return to work, unless disclosure is voluntarily authorized in writing by the Associate or is required by a federal or state law, rule, or regulation. Associates are advised that any information they submit to the Company regarding their SAFE Act leave should be directed to Human Resources.

Discrimination and Retaliation Prohibited

Discharging, harassing, or otherwise discriminating or retaliating against any Associate for exercising his/her rights under the NJ SAFE Act is strictly prohibited. An Associate who believes he/she has been subjected to any such improper conduct should contact Human Resources immediately.

New Jersey Military Leave

Generally, any non-temporary Associate who has returned from military service remains qualified for his or her former position, and Associates who apply for reemployment within 90 days after he or she is relieved from such service, will be restored to his or her prior position, or to a position of like seniority, status and pay, unless the Company's circumstances have so changed as to make it impossible or unreasonable to do so. Such benefits, rights and privileges will also be extended to Associates participating in Armed Forces training for up to three months during any four-year period, or participating in the militia or Army Reserves, provided they make applications for reemployment within the requisite and applicable statutory period of time.

New Jersey Emergency Responders Leave

In New Jersey, Associates who are active members in good standing of a volunteer fire company, a volunteer member of a duly incorporated first aid, rescue or ambulance squad, or a member of any county or municipal volunteer Office of Emergency Management (if the member's official duties include responding to a fire or emergency call), are eligible for leave when unable to report to work due to their service as a volunteer during a state of emergency declared by the President of the United States or the Governor of New Jersey, or their response to an emergency alarm.

In order to be eligible for leave, Associates must provide to the Company:

- o notice that he/she will be performing emergency services at least one hour before he/she is scheduled to report to work; and
- o upon returning to work, a copy of the incident report and a certification by the incident commander, or other official or officer in charge, affirming that the responder was actively engaged in and necessary for the emergency services, setting forth the date/time the volunteer emergency responder was relieved from emergency duty.

The incident commander, or other official or officer in charge, must also give the Company notice if the Associate is engaged in consecutive days of emergency response. The Company is not required to pay Associates who are absent from work while responding to these emergency situations, but Associates may use PTO to compensate for missed days of work.

5.13 POLYGRAPH TESTING

New Jersey law limits the use of polygraph tests as a condition of employment or continued employment.

NEW YORK

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

New York law prohibits discrimination on the basis of ancestry, or national origin, race or color, creed, age (18 and over), disability, gender (including gender identity, self-image, appearance, behavior or expression), genetic predisposition or carrier status, marital status, partnership status, sex, sexual orientation, political affiliation or belief, certain criminal offenses, military status, domestic violence victim status, or for displaying the American flag. Pregnant Associates cannot be compelled to take a leave of absence unless they are no longer able to perform the job in a reasonable manner. Accommodation of religious practices is required unless undue hardship can be shown.

2.4 PAY POLICIES

It is the policy and practice of the Company to provide Associates with an unpaid, off-duty, uninterrupted lunch break of at least 30 minutes between the hours of 11:00 a.m. and 2:00 p.m.; an unpaid, off-duty, uninterrupted meal break of at least 45 minutes at the time midway between the beginning and end of the shift for all shifts of more than six hours starting between 1:00 p.m. and 6:00 a.m.; and an unpaid, off-duty, uninterrupted meal break of at least 20 minutes between 5:00 p.m. and 7:00 p.m. for workdays that extend from before 11:00 a.m. to after 7:00 p.m.

Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Witness Leave

Associates who are victims of a crime or who are subpoenaed to attend criminal proceedings as witnesses are eligible for unpaid time off to appear as witnesses, consult with the district attorney, or exercise rights under the law. Associates are required to provide notice prior to the day of their absence and may substitute their accrued or earned vacation or personal time for leave taken under this statute.

Associates must complete a Time-Off Request Form and provide all appropriate documentation as required by the Company's leave of absence policies and/or the regulation.

Blood Donation Leave

Subject to eligibility conditions set forth by the Commissioner of the NY State Department of Labor, Associates may be granted three hours unpaid leave of absence in any twelve month period to donate blood off-premises provided that the leave of absence may not exceed three hours, unless otherwise agreed to by the Company. Alternatively, the Company may elect to implement blood donation alternatives, which would provide New York Associates with paid leave time (without requiring Associates to use accumulated vacation, personal, sick, or other already existing leave time) during work hours at least two times per calendar year at a convenient time and place set by the Company, including allowing an Associate to participate in a blood drive at the Associate's place of employment.

Victims of Domestic/Sexual Violence Leave

Associates who are victims of domestic violence are permitted up to 90 days of unpaid leave during any 12-month period to address "ongoing domestic violence." "Ongoing domestic violence" is defined as (a) an inability to perform or attend work due to recent domestic violence or the threat of domestic violence; (b) seeking legal assistance; (c) seeking services from a program for victims of domestic violence; (d) seeking medical attention for the victim or the victim's child; (e) attending counseling; or (f) engaging in safety planning, including relocation.

Leave for victims of domestic violence may be taken on an intermittent basis. Leave will run concurrently with any FMLA leave for which the Associate may be eligible. Associates who are eligible for FMLA leave must have their accrued paid time substituted for unpaid leave according to the FMLA policy. Associates not otherwise eligible for FMLA leave but eligible for domestic violence leave may choose to have their accrued paid time substituted for unpaid leave.

Health Insurance and other benefits for an Associate on such victim leave shall continue so long as the Associate continues to pay the Associate's portion of those benefit premiums. To be eligible for this leave, the Associate is required to contact the appropriate department as described in the Leave of Absence section, providing as much notice as practicable under the circumstances.

An Associate granted such leave is guaranteed the right to return to his/her original or similar position at the end of the leave.

Bone Marrow Leave

New York Associates may be granted a maximum of twenty-four (24) work hours of unpaid leave to undergo medical procedures relating to the donation of bone marrow.

The Associate must arrange for this leave at least 48 hours in advance (if practicable) and all appropriate paperwork must be completed prior to the beginning of the leave.

Associates must work a minimum of twenty (20) hours per week to be eligible.

Temporary Disability Benefits

New York Associates taking leave for their own personal non-occupational injury may be eligible to receive temporary disability benefits. New York Associates who have a need to take a leave should contact the Leave of Absence Department regarding qualification for this benefit.

Leave for Military Spouses

State law allows an Associate ten (10) days of unpaid leave during the period that his or her spouse is on leave from deployment. Leave under this section may only be taken during a period of military conflict. To be eligible for this leave, the Associate is required to contact the appropriate department as described in the Leave of Absence section and provide the Company with written documentation showing the dates that his/her spouse will be on leave from deployment.

4.2 SICK LEAVE

Associates Who Perform Work In New York City:

Effective April 1, 2014, or as otherwise required by law, Associates who perform work in New York City, including part-time and temporary Associates, will receive paid sick leave to use when they are sick or need medical care, or to care for a child, parent, spouse, domestic partner, family member or designated person when those persons are sick, need medical care, or need care due to closure of businesses or schools due to a public health emergency. Paid sick leave begins to accrue for Associates who work at least 80 hours in a calendar year. For every 30 hours worked, an Associate accrues one hour of paid sick leave. Paid sick leave accrues only in hour-unit increments. There is a cap of 40 hours of accrued paid sick leave. Sick leave does not accrue while an Associate is not working, such as when out on vacation or out sick. An Associate's accrued paid sick leave does not expire; it carries over from year to year, subject to the applicable cap. Associates will be paid for accrued unused sick leave benefits at the termination of employment.

Except as discussed above, and to the full extent allowed by law, all other conditions and restrictions placed on an Associate's use of sick leave apply.

4.3 BEREAVEMENT LEAVE

The provision of bereavement leave will be applied equally to Associates with spouses and Associates in same-sex relationships with a qualifying same-sex committed partner under New York Law.

5.12 COMMUTER REIMBURSEMENT BENEFIT

The Company offers pre-tax commuter benefits to certain qualified Associates who perform the minimum hours of work per week for the Company for qualifying transit.

Or, work at least 20 hours per week in the UAMC, Eagle Home Mortgage New York Branch office.

Or, work at least 10 hours per week for Rialto Capital Advisors of New York, LLC or Rialto Mortgage Finance, LLC.

The purpose of this Transportation Plan Policy is to provide eligible Associates the opportunity to exclude from taxable wages and compensation Associate commuting costs for eligible transportation up to the maximum level allowed by federal tax law.

To be eligible Associates must work the minimum number of hours as described above, and must work in one of the described counties or Company branches and must commute using the Mass Transit System or Commuter Highway Vehicles (Van Pools).

Associates may enroll in the plan by following the enrollment procedures outlined in the Summary Plan Descriptions which can be found on the Associate Portal. Associates must agree to pay for this benefit with pre-tax contributions. Pre-Tax contributions allow Associates to exclude from taxable wages the cost incurred for commuting to work by using public transportation.

Enrollment elections will remain in force until such time that the eligible Associate makes an election change. Any changes to the monthly election amount as well as termination of participation must be made following the procedures described in the Summary Plan Description.

For additional information on the Transportation Plan Policy, please refer to the Summary Plan Description on the Benefits page of the Lennar Portal.

5.13 POLYGRAPH TESTING

New York prohibits employers from the administration or use of polygraph testing.

NORTH CAROLINA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

North Carolina law prohibits discrimination on the basis of national origin, race or color, religion, age (40 and over), disability, sex, military service, sickle-cell trait or hemoglobin C trait, and genetic test request or results, or the filing a complaint protesting any prohibited activity. Discrimination based on AIDS-related diseases and off-site smoking is also prohibited.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

3.8 DIRECT DEPOSIT

Associates who are residents of North Carolina are required to receive payment via direct deposit. Each Associate must provide a bank routing number and account number via MyInfo.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Victims of Domestic / Sexual Violence Leave

State law prohibits Associates from being discharged, demoted, denied a promotion, or disciplined as a result of taking a reasonable time off from work to obtain or attempt to obtain relief under North Carolina's domestic violence law. To be eligible for this leave, the Associate is required to provide as much notice as practicable under the circumstances.

Parental Leave for Involvement in Schools

A North Carolina Associate who is a parent, guardian, or person standing in loco parentis of a school-aged child may be granted four hours of unpaid leave per year to attend or otherwise be involved at that child's school subject to a mutually agreed upon time between the Company and the Associate. The Company may also require the Associate to complete a Time-Off Request Form for the leave at least 48 hours before the time desired for the leave and further require written verification from the

child's school that the Associate attended or was otherwise involved at that school during the time of the leave.

Disaster Leave

Voluntary firefighters, rescue squad workers, and emergency medical service personnel called into service by the state in response to a disaster or emergency have the right to unpaid leave and will not be required to use other accrued leave during the absence.

OHIO

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Ohio state law prohibits discrimination on the basis of ancestry or national origin, race or color, religion, age (40 and over), military status, disability or sex (including pregnancy, childbirth, and other pregnancy-related conditions).

5.8 HUMAN RESOURCES RECORDS ACCESS

Upon an Associate's written request, the Company will provide a copy of any medical report pertaining to the Associate, arising out of any physical examination by a physician or other health care professional and any hospital or laboratory tests which examinations or tests are required by the Company as a condition of employment or arising out of any injury or disease related to the Associate's employment. The Company may require the Associate to pay up to 25 cents per page for such copies.

Military Family Leave

To qualify for Ohio Military Family Medical Leave, you must have worked at the Company for at least twelve (12) consecutive months and must have worked at least 1,250 hours during the twelve (12) months preceding the leave.

If you are the parent, spouse, or a person who has or had legal custody of a person who is a member of the uniformed services, and who is called into active duty in the uniformed services for a period longer than thirty (30) days or is injured, wounded, or hospitalized while serving on active duty in the uniformed services, you may be eligible for Military Caregiver Leave under the Ohio Military Family Medical Leave Act, which is in addition to any Military Caregiver Leave you may be eligible for under the FMLA.

If an Associate is deemed eligible for Ohio Military Family Leave, the Associate may take unpaid leave once per calendar year for ten (10) days, or eighty (80) hours, whichever is less.

Associates taking Ohio Military Family Medical Leave must take leave no more than two (2) weeks prior to, or one (1) week after, the member of the uniformed services' deployment date and must exhaust all other available leave, including FMLA and vacation, except sick leave or disability leave.

If the leave is being taken because of a call to duty, Associates must give at least fourteen (14) days' notice. If leave is due to injury, wound, or hospitalization, Associates must give at least two (2) days' notice. If an Associate receives notice from a representative of the uniformed services that the injury, wound, or

hospitalization is of a critical or life-threatening nature, the Associate may take the leave under this section without providing notice to the Company.

For information on required documentation, benefits, and job restoration, please refer to the Medical and Personal Leaves section of the Associate Handbook.

Crime Victim Leave

An Associate who is the victim of a crime or who is the family member of a victim of a crime may take time off from work—

- to participate in the preparation of a criminal or delinquency proceeding at the prosecutor's request or
- to attend, pursuant to a subpoena, a criminal or delinquency proceeding if reasonably necessary to protect the interests of the victim.

Before you are absent for such a reason, you must provide documentation of the scheduled proceeding. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence.

"Family member" means a spouse, child, stepchild, sibling, parent, stepparent, grandparent, or other relative of a victim. "Family member" does not include a person who is charged with or convicted of the crime or delinquent act against the victim.

Time off under this section is without pay, although an Associate may elect to use vacation during the leave from work.

Emergency Responder Leave

An Associate who is a member of a volunteer fire department, or who is employed as a volunteer firefighter, or who is a volunteer provider of emergency medical services may take time off from work when acting as a volunteer firefighter or a volunteer provider of emergency medical services in response to an emergency prior to the time the Associate is to report to work.

An Associate who takes time off work to respond to an emergency must provide the Company with a written statement from the chief of the volunteer fire department or the medical director or chief administrator of the cooperating physician advisory board of the emergency medical service organization, stating that the Associate responded to an emergency and listing the time of that response.

Time off under this section is without pay, although an Associate may elect to use vacation during the leave from work.

Under Ohio law, an Associate who is a volunteer firefighter or volunteer provider of emergency medical services must do the following:

- not later than thirty (30) days after receiving certification as a volunteer firefighter or a volunteer provider of emergency services, submit to the Company a written notification signed by the chief of the volunteer fire department with which the Associate serves, or the medical director or chief administrator of the cooperating physician advisory board of the emergency medical organization with which the Associate serves, notifying the Company of the Associate's status as a volunteer firefighter or volunteer provider of emergency services and
- make every effort to notify the Company that the Associate may report late to or be absent from work due to the Associate's dispatch to an emergency.

If notification of dispatch to an emergency cannot be made due to the extreme circumstances of the emergency or the inability to contact the employer, then the Associate must submit to the Company a written explanation from the chief of the volunteer fire department with which the Associate serves, or the medical director or chief administrator of the cooperating physician advisory board of the emergency medical service organization with which the Associate serves, explaining why prior notice was not given.

Witness Leave

Associates may take time off work to attend, pursuant to a subpoena, a proceeding: (1) before a grand jury; (2) in a criminal case; or (3) in a juvenile case.

OREGON

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Oregon law prohibits discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth and related medical conditions), sexual orientation (including gender identity or expression), national origin, marital status, age (18+), disability, military service, veteran status, genetic information, or an expunged juvenile record, as well as the race, color, religion, sex, sexual orientation, national origin, marital status, or age of any other person with whom an individual associates. Oregon law also prohibits discrimination against an individual who is a victim of domestic violence, sexual assault or stalking, or an individual who has applied for state workers' compensation benefits.

2.4 PAY POLICIES**Meal and Rest Period Policy**

It is the policy and practice of the Company to provide Associates with an unpaid, off-duty, uninterrupted meal break of at least 30 minutes if the Associate works 6 or more consecutive hours. The specifics of the Company's meal and rest period policy with respect to Oregon Associates are as follows:

A. Meal Periods

- Associates who work a shift of less than six hours need not take a meal period.
- Exempt Associates who work a shift of six or more hours may take a 30-minute, off-duty, uninterrupted, unpaid meal period.
- Non-exempt Associates who work a shift of between six and 14 hours MUST take a 30-minute, off-duty, uninterrupted, unpaid meal period.
 - If the work period is at least six hours but less than seven hours, the meal period is to be taken between the second and fifth hour worked. If the work period is more than seven hours, the meal period is to be taken between the third and sixth hour worked.
- Non-exempt Associates who work a shift of between 14 and 22 hours MUST take two 30-minute, off-duty, uninterrupted, unpaid meal periods.
- Non-exempt Associates who work a shift of 22 or more hours MUST take three 30-minute, off-duty, uninterrupted, unpaid meal periods.
- Associates may not perform any work during meal periods.
- Associates may leave Company premises during meal periods.
- Associates should not spend meal periods at their work stations and/or desks, but should leave Company premises, use provided meal and break areas, or otherwise use the meal time to get away from their work stations.

- Non-exempt Associates must report time out and report time in for meal periods. Under no circumstances may a non-exempt Associate work while reported out for a meal period.
- Any Associate who is instructed to work through a meal period or otherwise misses a meal period should immediately contact Regional Human Resources.

B. Rest Breaks

- Non-exempt Associates aged 18 or over MUST take one paid, uninterrupted 10-minute rest break for each four-hour segment of work (or major portion thereof). A non-exempt Associate who works a shift longer than ten (10) hours MUST take an additional rest period.
- Non-exempt Associates under age 18 MUST take one paid, uninterrupted 15-minute rest break for each four-hour segment of work (or major portion thereof).
- Rest breaks should be taken as near to the middle of each four-hour work period as practicable.
- Rest breaks cannot be taken at the beginning or end of a shift, or to lengthen a meal period.

Breaks for Nursing Mothers to Express Milk

It is the policy and practice of the Company to provide nursing mothers with reasonable break time each workday for the purpose of expressing breast milk for their infant. Oregon Associates who need to express breast milk for their children aged 18 months or younger will receive one uninterrupted 30-minute break to express milk for each four-hour segment of work (or major portion thereof). Such breaks should be taken by the associate approximately in the middle of the work period. The Company may limit such break time if such breaks would impose an undue hardship on Company operations. When possible, Associates must align their breaks to express milk with the Company's existing break schedule.

Non-exempt nursing Associates will receive the same amount of paid break time as other non-exempt Associates in their location; any further break time to express milk will be unpaid. For example, an Associate may take 10 minutes as her regular paid rest period and then an additional 20 minutes of unpaid rest to express milk. Exempt Associates' salary will not be affected by their breaks to express milk.

Nursing mothers will be provided with a room or other location in close proximity to the work area to express breast milk in privacy.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.10 TERMINATION OF EMPLOYMENT

If an Associate is discharged or his/her employment is terminated by mutual agreement, his/her final earned wages will be paid no later than the end of the next business day after the termination.

If an Associate quits with at least 48 hours' notice (excluding weekends and holidays), then all earned wages will be paid on the final day worked, unless the last day falls on a weekend or holiday, in which case the final paycheck is due on the next business day.

If an Associate quits with less than 48 hours' notice (excluding weekends and holidays), all earned wages will be paid within five days, excluding weekends and holidays, or on the next regular payday, whichever comes first. Additionally, if a non-exempt Associate quits with less than 48 hours' notice (excluding weekends and holidays), and the Associate is regularly required to submit time records to

the Company so that the Company may determine the wages due, the Company will pay what wages it estimates are due within five days after the Associate has quit; all remaining earned wages will be paid within five days after the Associate has submitted the time records.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Bone Marrow Donation Leave

Associates who work an average of 20 or more hours per week may use up to 40 hours of unused, accrued paid leave to undergo a medical procedure to donate bone marrow. Associates must provide a physician's certification regarding the purpose and expected length of such leave.

Domestic Violence Leave

Associates may be eligible for a reasonable period of unpaid leave to address domestic violence, sexual assault, or stalking against the Associate or the Associate's minor or dependent child. Such leave may be taken for any of the following purposes: (1) to seek legal or law enforcement assistance or remedies to ensure the health and safety of the Associate or the Associate's minor child or dependent; (2) to seek medical treatment for or to recover from injuries caused by domestic violence, sexual assault, or stalking; (3) to obtain, or to assist a minor child or dependent in obtaining, counseling from a licensed mental health professional related to an experience of domestic violence, sexual assault or stalking; (4) to obtain services from a victim services provider for the Associate or the Associate's minor child or dependent; or (5) to relocate or take steps to secure an existing home to ensure the health and safety of the Associate or the Associate's minor child or dependent.

Leave under this section can be taken intermittently or pursuant to a reduced work schedule, as appropriate. If leave under this section also qualifies as Oregon Family Leave Act ("OFLA") leave, the OFLA leave will run concurrently.

Associates must provide reasonable advance notice of the leave by contacting the appropriate Department as described in the Leave of Absence section, if feasible, and may be required to provide certification to verify the need and purpose for the leave. Any documents provided as certification of the victim's status will be kept confidential and will not be released without the Associate's express permission.

Associates are required to substitute their accrued or earned vacation time, sick time (if appropriate), and/or personal days for leave taken under this policy. An Associate's leave may be limited if it results in an undue hardship to the Company.

An Associate who is a victim of domestic violence, sexual assault, or stalking may obtain a reasonable safety accommodation from the Company unless this would impose an undue hardship on the Company.

Leave to Attend Criminal Proceeding

An Associate who is a crime victim is eligible for unpaid leave to attend a criminal proceeding if the Associate has worked an average of 25 hours per week for at least 180 days immediately prior to the date leave commences. This leave may be limited if it results in an undue hardship to the Company. The Associate must provide the Company with reasonable notice of the Associate's intention to take leave to attend a criminal proceeding and copies of any notices of scheduled criminal proceedings that the Associate receives from a law enforcement agency.

"Crime victim" means a person who has suffered financial, social, psychological or physical harm as a result of a person felony, and includes the person's spouse, domestic partner, father, mother, sibling, child, stepchild and/or grandparent.

"Criminal proceeding" means any proceeding which constitutes a part of a criminal action or occurs in court in connection with a prospective, pending or completed criminal action. This includes a juvenile proceeding or any other proceeding at which a crime victim has a right to be present.

Associates are required to substitute their accrued or earned vacation time and/or personal days for leave taken to attend a criminal proceeding.

Military Family Leave

Associates who work an average of at least 20 hours per week are eligible for up to 14 days of unpaid leave related to the deployment of the Associate's spouse or same-sex domestic partner under a call or order to active duty. This leave may be taken before or during deployment. Unused, accrued paid leave may be substituted during this leave. Military Family Leave counts toward any leave for which the Associate is eligible under the Oregon Family Leave Act (OFLA).

An Associate who intends to take Military Family Leave must contact the appropriate Department as described in the Leave of Absence section within five business days of receiving official notice of an impending call or order to active duty or of a leave from deployment, or when five days' notice is not feasible, as soon as practicable. The Associate must also provide written documentation certifying that the spouse/domestic partner has been ordered to active duty or will be on leave from deployment during the period of the Associate's requested time off from work.

Associates who return to work from an approved Military Family Leave within the time frame allowed by Oregon law will be returned to their job or an equivalent position with equivalent benefits, pay, seniority, and other terms and conditions of employment.

Volunteer Firefighter and Search and Rescue Leave

To the extent required by law, the Company provides leave to qualifying volunteer firefighters, members of rural fire protection districts, firefighters employed to perform services under the Emergency Conflagration Act, and search and rescue volunteers. The leave of absence is unpaid; however, an Associate will be required to use all available accrued vacation during any leave period approved under this section. Associates who wish to take Firefighter Leave must submit a written request to the Company.

Associates who return to work from an approved Firefighter Leave will be returned to their job or an equivalent position without loss of seniority or benefits.

Veterans Day Leave

The Company will allow an Oregon Associate unpaid time off to observe Veterans Day, if the Associate is otherwise scheduled to work and is a veteran of the Armed Forces of the United States, as defined under Oregon law. An Associate must provide the Company with at least 21 calendar days' notice of his or her intent to take time off under this section, and the Company may require that the Associate submit documents confirming the Associate's veteran status.

Failure to provide the required notice and/or documentation may result in denial of the leave. The Company also may deny a leave request under this section if it determines that such leave would cause significant economic or operational disruption or undue hardship. If the Company denies a qualifying Associate's request for time off under this section, the Company will allow that Associate to choose, with the Company's approval, a single day off within the year after Veterans Day on which to honor the Associate's service.

4.2 SICK LEAVE

The Company provides eligible Associates who work in Oregon with paid sick time ("Sick Leave") when they are unable to work due to a brief illness or for other qualifying reasons. For Oregon Associates, this policy supersedes and replaces the Sick Leave policy in Section 4.2 of the Handbook.

This policy is intended to comply with the requirements of Oregon's sick time law in ORS chapter 653 and 659A and the related administrative regulations (collectively, the "Oregon Sick Time Law"). In the event that the Oregon Sick Time Law provides for greater leave rights than this policy, the Oregon Sick Time Law controls.

Who Is Covered?

This policy applies to all Associates who perform work in Oregon, whether full-time, part-time, temporary, or seasonal.

When Do I Become Eligible To Use Sick Leave?

Associates who are employed on January 1, 2016, are immediately eligible to receive and use Sick Leave. Associates who are hired after January 1, 2016, become eligible to receive and use Sick Leave after the first ninety (90) calendar days of their employment ("Waiting Period").

Associates who have a break in employment and are rehired within 180 days will be credited with any previously accrued, unused Sick Leave, and days that the Associate worked for the Company before the break in employment will be counted towards completion of the Waiting Period.

How Much Sick Leave Do I Have?

Associates will be credited Sick Leave on a fiscal year basis, defined as December 1 through November 30 (the "Leave Year").

On January 1, 2016, all Associates who are employed as of that date will be credited with 40 hours of Sick Leave that they can use immediately and at any time during the Leave Year for any of the reasons set out in this policy.

Associates who are hired after January 1, 2016, will be credited with a pro rata percentage of 40 hours on their 91st day of employment in an amount that is based on the number of hours the Associate will

be employed for the remainder of the Leave Year. For example, an Associate who starts work on June 1 will be credited with 20 hours of Sick Leave (50 percent of 40 hours) on his or her 91st day of employment, i.e., August 31.

At the end of each Leave Year, all unused Sick Leave is forfeited. No amount of unused Sick Leave from one Leave Year may be carried over to the next Leave Year. Instead, on December 1 of each subsequent Leave Year, Associates will be credited with a new block of 40 hours of Sick Leave that can be used immediately and at any time during the new Leave Year. The maximum amount of Sick Leave that will be credited to an Associate and that can be used in any Leave Year is 40 hours.

What Rate Of Pay Will Apply To Sick Leave?

Sick Leave for hourly or non-exempt Associates will be paid at the Associate's regular rate of pay. The Company will not pay an Associate's overtime rate when an Associate uses Sick Leave, even for hours that would have been overtime hours if worked.

Sick Leave for exempt, salaried Associates will be paid at a rate calculated by dividing their prorated weekly salary, based on a 52-week year, by the number of hours in a normal work week.

Sick Leave for Associates paid on a commission or piece-rate basis that do not have a previously established regular rate of pay will be paid at a rate equal to the Oregon minimum wage.

What Can Sick Leave Be Used For?

Eligible Associates may use Sick Leave in one-hour increments for any purpose that qualifies for paid time off under the Oregon Sick Time Law, which includes the following:

(i) The diagnosis, care, or treatment of the Associate or the Associate's family member's mental or physical illness, injury, or health condition, including preventive medical care. For example, Sick Leave may be used for pre-natal visits and routine medical and dental visits. A family member includes a spouse or domestic partner; a biological, step, adoptive, or foster parent or child; a grandparent or grandchild; a parent-in-law; or a person with whom the Associate was or is in a relationship of in loco parentis.

(ii) For any qualifying purpose under the OFLA, regardless whether the Associate is otherwise eligible for OFLA leave. For example, Sick Leave may be used to care for an infant, a newly adopted child under age 18, a newly placed foster child under age 18, or adopted or foster child over age 18 who is incapable of self-care. Sick Leave also may be used to attend a funeral or alternative event, to make arrangements necessitated by the death of a family member, or to grieve the death of a family member. Sick Leave used for an OFLA qualifying reason must be taken within the time periods required under OFLA – e.g., within 12 months after birth or placement of a child, or within 60 days of the date an Associate receives notice of the death of a family member.

(iii) To address an incident of domestic violence, harassment, sexual assault, or stalking. For example, Sick Leave may be taken to seek legal or law enforcement assistance or remedies, medical treatment, counseling, the services of a victim services provider, or to relocate or secure an existing home for the Associate or the Associate's minor child or dependent. See the Company's policy on Domestic Violence Leave, above.

(iv) To address a public health emergency. For example, an Associate may use Sick Leave (a) if either the Associate's place of business or the Associate's child's school or day care is closed by order of a public official due to a public health emergency; (b) to care for a family member whose presence in the community jeopardizes the health of others, as determined by a lawful public health

authority or by a health care provider; or (c) if any law or regulation requires the Company to exclude the Associate from the workplace for health reasons.

What Notice Must I Provide?

If the need for Sick Leave is foreseeable, the Company requires that Associates provide at least ten (10) days' notice to the Leave of Absence Department. Associates must make a reasonable effort to schedule a foreseeable need for Sick Leave in a manner that does not unduly disrupt operations of the Company.

If the need for Sick Leave is unforeseeable, the Associate must provide notice to the Leave of Absence Department as soon as practicable and must generally comply with the Company's notice and leave request procedures to the extent that it does not interfere with the ability of the Associate to use the Sick Leave when needed.

If the expected duration of a Sick Leave absence changes for any reason, an Associate must notify the Leave of Absence Department as soon as practicable.

An Associate's failure to provide the notice required under this policy may result in a delay in payment or nonpayment of the time claimed as Sick Leave and may also result in discipline for failure to follow Company policies and procedures.

Must I Provide Documentation For The Reason For Sick Leave?

If an Associate uses Sick Leave for more than three consecutive scheduled work days, or if an Associate commences Sick Leave without providing advance notice under this policy, the Company may require reasonable documentation for the purpose for the Sick Leave. Documentation may include, but is not limited to, a signed statement from a health care provider. The Associate must provide documentation to the Company within 15 calendar days of the request.

If the need for Sick Leave is foreseeable and projected to last longer than three consecutive scheduled work days, the Company may require reasonable documentation of the purpose for the Sick Leave before the Sick Leave commences, or as soon as otherwise practicable.

The Company also reserves the right to require documentation verifying an Associate's need to use Sick Leave if there are indications of abuse, such as repeated use of unscheduled Sick Leave on or adjacent to weekends, holidays, or pay days, regardless whether the Associate has used Sick Leave for more than three consecutive days.

An Associate's failure or delay in providing documentation requested by the Company may result in a delay in payment or nonpayment of the time claimed as Sick Leave and may also result in discipline for failure to follow Company policies and procedures.

How Does Sick Leave Relate To Other Types Of Leave?

If you require time off from work because of a reason that qualifies under this policy and the Oregon Sick Time Law, you must use Sick Leave. It is not optional. However, Associates may not use Sick Leave while on any other paid leave approved by the Company.

Depending on the reason, an Associate's use of Sick Leave also may qualify for concurrent leave under federal, state or other local laws, such as leave under the Oregon Family Leave Act (OFLA) or the federal Family and Medical Leave Act (FMLA). An Associate will be required to exhaust any accrued Sick Leave for a qualifying purpose before being permitted to take unpaid leave.

How Will I Be Notified Of My Sick Leave Balance?

The Company will provide Associates with a written statement at least once each quarter that sets out the amount of unused Sick Leave that is available for use during the remainder of the Leave Year.

Will I Be Paid For Any Unused Sick Leave?

No, you will not be paid for any unused Sick Leave. Payment for an Associate's Sick Leave is not considered earned or owed until Sick Leave is used. Upon an Associate's termination for any reason, all unused Sick Leave is forfeited by the Associate, and the Company will have no obligation to pay the Associate for the unused Sick Leave.

What if I Have Accrued Less Sick Leave Than I Need To Use?

If your absence for a qualifying Sick Leave purpose exceeds the number of Sick Leave hours that you have accrued and are eligible to use, you will not be paid for the excess hours, and the Company will apply its normal attendance policies, which may result in a determination that the excess hours are unexcused and subject to discipline.

No-Retaliation Policy

The Company strictly prohibits retaliation or discrimination against Associates who request or use Sick Leave for a purpose that qualifies under the Oregon Sick Time Law. An Associate who believes that he or she has been wrongfully denied Sick Leave or retaliated or discriminated against for requesting or taking Sick Leave must immediately notify the Regional Human Resources Department.

4.3 BEREAVEMENT LEAVE

Under the Oregon Family Leave Act (OFLA), eligible Associates may take up to two weeks of OFLA leave to attend a funeral (or alternative ceremony), to make arrangements necessitated by the death of a family member, or simply to grieve the death of a family member. Eligibility requirements and definitions are included in the Family and Medical Leave section. Associates may also be eligible to use Sick Leave for a qualifying bereavement leave. See Sick Leave policy 4.2, above.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

An Associate who is a member of a state-organized militia called into active duty by the state's governor may take leave for the term of service. Such leave may be paid, or partially paid, in accordance with this Associate Resource Guide. A returning Associate who returns to employment within seven calendar days of release from duty is entitled to reinstatement to the same or equivalent position without loss of seniority or benefits.

4.7 WORKERS' COMPENSATION LEAVE

In accordance with Oregon law, an Associate's workers' compensation leave will not count toward any leave for which the Associate is eligible under the Oregon Family Leave Act (OFLA).

4.8 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Oregon Family Leave Act (OFLA)

The Company complies fully with the law as set forth in the Oregon Family Leave Act (OFLA). The following highlights some of the key provisions of the OFLA.

Eligible Associates may take up to 12 weeks of unpaid family leave within a one-year period for any of the following purposes: (1) "parental leave" to care for an infant or newly-adopted child under 18 years of age, or for a newly-placed foster child under 18 years of age, or for an adopted or foster child older than 18 if the child is incapable of self-care because of a mental or physical disability; (2) to recover or seek treatment for a serious health condition of the Associate that makes the Associate unable to perform an essential function of his or her position; (3) to care for the Associate's family member with a serious health condition; or (4) "sick child leave" to care for the Associate's child who is suffering from an illness, injury, or condition that is not a serious health condition but requires home care.

In addition to the 12 weeks of leave described above, there are two conditions under which Associates may take additional unpaid OFLA leave during a one-year period: (1) eligible female Associates may take a total of 12 additional weeks of leave within the one-year period for an illness, injury or condition related to pregnancy or childbirth that disables them from performing any available job duties offered by the Company; and (2) eligible Associates who took 12 weeks of parental leave may take up to 12 additional weeks of leave within the one-year period for sick child leave.

Associates are eligible for parental leave under OFLA if they have worked for the Company for at least 180 days immediately preceding the date when the leave would begin. For all other types of OFLA leave, Associates are eligible if they have worked for the Company for 25 hours per week during the 180 days immediately preceding the date when the leave would begin.

If the Associate is also eligible for FMLA as that leave is described in the FMLA section of this Associate Reference Guide, leave under the OFLA will run concurrently with the federal FMLA to the extent consistent with applicable law. Because sick child leave and leave to care for a same-sex domestic partner with a serious health condition are available only under the OFLA, those types of leave do not count against an Associate's entitlement to FMLA leave. Similarly, the FMLA includes leave for an Associate's workers' compensation injury, but the OFLA excludes such leave; accordingly, workers' compensation leave does not count against an Associate's entitlement to OFLA leave.

"Serious health condition" means (1) an illness, injury, impairment or physical or mental condition that requires inpatient care in a hospital, hospice or residential medical care facility; (2) an illness, disease or condition that in the medical judgment of the treating health care provider poses an imminent danger of death, is terminal in prognosis with a reasonable possibility of death in the near future, or requires constant care; or (3) any period of disability due to pregnancy, or period of absence for prenatal care.

"Family member" means the Associate's spouse or same-gender domestic partner; parent, parent-in-law, or parent of same-gender domestic partner; grandparent; grandchild; a person with whom the Associate is or was in a relationship of in loco parentis; or the biological, adopted, foster or stepchild of an Associate or the child of an Associate's same-gender domestic partner.

For the purposes of parental and sick child leave only, an Associate's child must be (a) under the age of 18; or (b) an adult dependent child with a physical or mental disability. However, the child's age does not matter if the Associate is taking leave due to the child's serious health condition.

If both parents of a child are employed by the Company, both Associates are entitled to 12 weeks of parental leave under the OFLA. Parental leave must occur within 12 months of the birth or placement

of the child, and must be taken consecutively unless the Company approves otherwise. The Company may deny an Associate's request for sick child leave if another family member is available to care for the child.

When two family members work for the Company, they may not take concurrent OFLA leave unless (a) one Associate needs to care for the other Associate who is suffering from a serious health condition; (b) one Associate needs to care for a child who has a serious health condition while the other Associate is also suffering a serious health condition; (c) two or more eligible family members are suffering from one or more serious health condition; (d) the family members are taking bereavement leave for the death of a family member; or (e) to the extent that the Associates are eligible to take concurrent parental leave under the FMLA.

In the case of leave for a serious health condition of the Associate or a family member, the leave may be taken intermittently or on a reduced-hours basis only if such leave is medically necessary (as determined by the health care provider of the person with the serious health condition) or if the Associate and the Company agree. If an Associate requests intermittent leave or reduced work hours for a serious health condition, the Company may elect to transfer the Associate temporarily to a position which better accommodates recurring periods of leave, providing the Associate agrees to the transfer and the position is of equal pay and benefits.

Subject to the approval of the health care provider, an Associate taking leave for a serious health condition of the Associate or his or her family member shall make a reasonable effort to schedule medical treatment or supervision at times that will minimize disruption of the Company's operations.

Associates must contact the Leave of Absence Department at least 30 days before commencing OFLA leave, unless the need for leave arises unexpectedly (e.g., an unexpected serious health condition, or the premature birth of a child). Associates will also be required to provide medical verification of the need for leave. When an Associate is unable to give 30 days' notice, but has some advance notice of the need for leave, the Associate must provide the Company with as much advance notice as is practicable. If an Associate commences leave without any prior notice (because the need for leave arises unexpectedly) he or she, or someone on his/her behalf, must give oral notice to the Company within 24 hours after the leave began; the Associate also must provide notice to the Company within three days after returning from leave. If Associates do not provide the requisite notice for leave, their period of OFLA leave may be reduced by up to three weeks, as permitted by law.

No medical verification is required for an Associate's parental leave under the OFLA. The Company may require medical verification for sick child leave after an Associate has taken more than three days off, although the Company will pay the cost of such medical verification. When an Associate's need for OFLA leave is foreseeable, the Company may require the Associate to provide medical verification of the need for leave before the leave period commences. If an Associate begins OFLA leave without prior notice because the need for leave arose unexpectedly, the Associate must provide the Company with medical verification of the need for leave within 15 days of the Company's request. The Company may also require subsequent medical verification on a reasonable basis.

During an Associate's OFLA leave, the Company will continue to pay its portion of the health and welfare benefit premiums as described in the Leaves of Absence section of this Associate Reference Guide and maintain the Associate's coverage under the plans in the same manner as if the Associate had been continuously employed during the entire leave period, provided the Associate continues to pay his or her share of the premiums. If the Associate fails to continue to pay his or her share of the premiums, notices of proposed insurance cancellation and the opportunity to pay the premium as required by the Act will be provided by the Corporate Benefits Department.

If the Associate does not return to work after expiration of the leave, the Associate will be required to reimburse the Company for the portion of the premiums which it provided during the leave, unless the Associate does not return because of the continued presence of a serious health condition or other circumstances beyond the Associate's control.

The OFLA does not require accrual of employment benefits, such as vacation pay or sick pay. Therefore, sick pay, vacation pay and personal days off do not continue to accrue during any portion of the leave that does not run concurrently with the use of banked sick time, regular sick time, paid personal days off or paid vacation. During OFLA leave, accrual of benefits and seniority shall be on the same basis as for any other unpaid leave of absence. Employment benefits to which an Associate may be eligible for on the date on which the leave of absence begins will not be lost because of such leave, except for those paid leave days substituted for unpaid OFLA leave as described below. Upon return from OFLA leave, Associates are eligible for any changes in benefit plans not dependent upon seniority or accrual during the leave period. Associates will not be disqualified from business based on attendance, for which they qualified prior to leave because of the taking of OFLA leave.

Associates are required to substitute their accrued or earned vacation time, sick leave, and personal days for unpaid leave status for otherwise unpaid leave taken under the OFLA. Any sick leave in lieu of unpaid status will run concurrently with OFLA.

Associates who need to inquire about OFLA leave should contact the Leave of Absence Department to obtain the necessary instructions, applications and certification forms.

When an Associate wishes to return from leave, the Company may require that the Associate receive certification from his or her health care provider that the Associate is able to resume work.

Associates who return to work from an approved OFLA leave within the time frame allowed by Oregon law will be returned to their job or an equivalent position with equivalent benefits, pay, seniority, and other terms and conditions of employment.

If an Associate fails to provide information which the Company is allowed by law to require, the Associate may have his or her leave delayed and/or be subject to discipline up to and including termination of employment, as permitted by law.

When an Associate gives unequivocal notice of his or her intent not to return to work, he or she must contact the Leave of Absence or Regional Human Resources Departments. The employment relationship will be terminated, and the Associate's entitlement to continued leave, maintenance of health benefits, and reemployment will cease. All unpaid contributions due from the Associate will become due and payable, and an invoice will be sent for immediate payment.

5.6 SMOKING

Oregon law prohibits smoking in all enclosed work areas and areas open to the public. Accordingly, the Company strictly prohibits smoking in the workplace and in any area that is within 10 feet of an enclosed work area, including entrances, exits, windows that open and ventilation intakes of buildings. Associates are directed to report all violations of this smoke-free policy to their supervisor. No Associate will be disciplined or retaliated against for reporting smoking that violates Oregon law or Company policy. Associates who violate this policy will be subject to disciplinary action up to and including termination.

5.7 SUBSTANCE ABUSE POLICY

The Company will not accommodate an Associate's use of cannabinoids/marijuana, even if obtained legally and authorized for medical purposes under Oregon law. Marijuana remains unlawful for any purpose under federal law, and its use is therefore prohibited by the Company's Substance Abuse Policy.

Oregon Associates and job applicants will not be required to submit to a breathalyzer test unless (1) the individual consents to the test or (2) the Company has reasonable grounds to believe that the individual is under the influence of intoxicating liquor. Where permitted, a breathalyzer test must be conducted by a third party and paid for by the Company.

5.8 HUMAN RESOURCES RECORDS ACCESS

Within 45 days of an Associate's written request, the Company will permit an Associate to inspect that Associate's personnel records that are used or have been used to determine qualification for employment, promotion, additional compensation or employment termination or other disciplinary action. A certified copy will also be furnished within 45 days after receipt of a written request.

5.9 EMPLOYMENT OF RELATIVES AND DOMESTIC PARTNERS

Although Oregon law prohibits discrimination against an Associate or applicant solely because another member of an individual's family works or has worked for that employer, the Company may refuse to hire or employ an individual if doing so would place the individual in a position of exercising supervisory, appointment or grievance adjustment authority over a member of the individual's family, or in a position of being subject to such authority by a member of the individual's family.

"Member of an individual's family" means the individual's wife, husband, son, daughter, mother, father, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, stepparent or stepchild.

5.13 POLYGRAPH TESTING

Under Oregon law, an employer may not subject an Associate or prospective Associate to a polygraph examination or a psychological stress test to detect deception/verify truth.

PENNSYLVANIA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Pennsylvania law prohibits discrimination on the basis of ancestry, or national origin, race or color, religion, family status, age (40 and over), disability (including individuals with a guide or support animal), individuals with a GED certificate, or sex (including sexual harassment and sexual orientation under local antidiscrimination laws and disability related to pregnancy and childbirth).

4.2 SICK LEAVE (PHILADELPHIA COUNTY ONLY)

In Philadelphia, Associates are permitted to take paid sick leave in accordance with legal requirements of Philadelphia's Promoting Healthy Families and Workplaces Ordinance. Associates who work within Philadelphia, and who are not otherwise eligible for paid time off may accrue up to five (5) days or 40 hours of paid sick leave per payroll calendar year. Paid sick leave will accrue at a rate of one (1) hour for every 40 hours worked. Accrual of paid sick leave will start on the Associates' date of hire. Unused paid sick leave accrued in one payroll calendar year shall be carried over to the next payroll calendar year; however, an Associate may not use more than a total of five (5) days paid sick leave in any payroll calendar year.

Once an Associate has completed 90 days of employment, he or she may use accrued paid sick leave for the following reasons:

- An absence resulting from a physical or mental illness, injury, or medical condition of the Associate;
- An absence resulting from obtaining a professional medical diagnosis or care or preventative medical care for the Associate;
- An absence for the purpose of caring for a family member who has any of the conditions or needs above; or
- If the Associate or the Associate's family member is a victim of stalking, domestic violence, or sexual abuse, an absence in order to take the following actions that directly relate to the stalking, violence or abuse: 1) seek medical attention for the Associate or the Associate's family member; 2) obtain services from a victim services organization; 3) obtain psychological or other counseling; 4) relocate; or 5) take other actions to enhance the physical, psychological, or economic health and safety of the Associate or the Associate's family member or to enhance the safety of those who associate or work with the Associate.

Sick time may be taken in increments of one (1) hour or more and will be paid at the Associate's base rate of pay. Sick time taken under this policy will run concurrently with all other leave under state and federal law, except where otherwise prohibited by law. Paid sick leave may only be used for the purposes

described in this policy or as allowable by law and may not be taken as vacation, a personal day or as a holiday.

Except in the case of an emergency, the Associate must give reasonable advance notice to his or her manager or other Company representative of any absence from work for which he or she intends to use paid sick leave. The notice should include a reason for the absence and an indication of when he or she can be expected to report to work. Certification of the reason for paid sick leave must be provided for a leave request of three (3) or more consecutive days. Certification may include:

- Signed document from a healthcare provider affirming the illness of the eligible Associate or the Associate's family member;
- A police report indicating that the Associate or the Associate's family member was the victim of stalking, domestic violence, or sexual abuse;
- A court order indicating that the Associate or Associate's family member was the victim of stalking, domestic violence, or sexual abuse; or
- A signed written statement from a victim and witness advocate or a domestic violence counselor affirming that the Associate is involved in legal action or proceedings related to stalking, domestic violence, or sexual abuse.

Unused, accrued sick leave will not be paid to the Associate upon termination of his or her employment. An Associate whose employment terminates after completion of ninety (90) days of employment and who is rehired within one (1) year after the date of termination may, upon rehire, access all accrued paid sick leave available at the point of termination. If there is a separation of employment for more than one year, accrued paid sick leave will not be reinstated and the rehired the Associate shall be considered to have newly commenced employment.

5.8 HUMAN RESOURCES RECORDS ACCESS

Associate Access to Personnel Files

State law permits Associates or their designated agents to review material in their respective personnel file that has been used in determining the Associate's qualifications for employment, promotion, additional compensation, termination, or other disciplinary action. Associates, however, will not be permitted access under this Policy to the following categories of documents:

- Letters of reference
- Records of an Associate relating to the investigation of a possible criminal offense
- Documents which are being developed or prepared for use in civil, criminal or grievance procedures
- Medical records
- Materials used by the Company to plan for future operations
- Information available to the Associate under the Fair Credit Reporting Act

The Company will make personnel records available for inspection during the regular business hours of the office where these records are ordinarily maintained, when sufficient time is available during the course of a regular business day. The Company may require the requesting Associate to inspect such records on the free time of the Associate. An Associate may designate an agent to inspect his or her personnel file. Associates wishing to grant such rights to an agent must provide to the Company a signed authorization designating a specific individual or individuals who shall be authorized to inspect the Associate's personnel file. The signed authorization shall be for a specific date or dates and shall indicate either the purpose for which the inspection is authorized or the particular parts of the Associate's personnel file which the designated agent is authorized to inspect.

Associates or their designated agent may be granted an opportunity to review the contents of Associate's personnel file only in the presence of the Regional Human Resources Director, the Chief Human Resources Officer, the Division Controller or an authorized designee.

The Associate or his agent may not mark or make copies of any documents in the file. However, the taking of notes by the Associate or his/her designated agent is permitted. Associates who wish to correct or supplement their records may submit a written request to the Chief Human Resources Officer, or the Regional Human Resources Director or the Division Controller. Except for reasonable cause, inspection of personnel files under this Policy is limited to once every calendar year by an Associate and once every calendar year by the Associate's designated agent, if any.

5.13 POLYGRAPH TESTING

Pennsylvania prohibits employers from requiring Associates, as a condition for employment or continuation of employment, that an Associate take a polygraph test or any form of a mechanical or electrical lie detector test.

Failure to Report During a State of Emergency

The Company may not terminate or discipline an Associate for failing to report to work due to a closure of the roads in the county of the Company's place of business or the county of the Associate's residence resulting from a state of emergency declared by the Governor. The Company will not pay an employee for a work day in which the employee fails to report to work due to road closures.

SOUTH CAROLINA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

THIS SUPPLEMENT DOES NOT CREATE, NOR SHALL IT BE DEEMED TO CREATE, A CONTRACT EITHER EXPRESSED OR IMPLIED, BETWEEN THE COMPANY AND ANY ASSOCIATE. ASSOCIATES ARE AT-WILL EMPLOYEES COMPLETELY FREE TO RESIGN FROM THE COMPANY AT ANY TIME THEY CHOOSE, AND THE COMPANY HAS THE SAME RIGHT TO END THE EMPLOYMENT RELATIONSHIP AT ANY TIME IT CHOOSES, FOR ANY REASON, WITH OR WITHOUT NOTICE.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

South Carolina prohibits discrimination on the basis of national origin, race or color, religion, age (40 and above), disability, or sex (including sexual harassment, pregnancy, childbirth and other pregnancy-related conditions).

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.10 TERMINATION OF EMPLOYMENT

South Carolina law requires employers to pay any unpaid wages to Associates whose employment is terminated involuntarily within 48 hours of termination or on next payday, which may not exceed more than 30 days after termination.

3.8 DIRECT DEPOSIT

Associates who are residents of South Carolina are required to receive payment via direct deposit. Each Associate must provide a bank routing number and account number via MyInfo.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Victim/Witness Leave

Associates who are victims or witnesses to a crime and who are subpoenaed to attend court for the purpose of giving testimony will be granted reasonable unpaid time off to respond to the subpoena. Associates are required to provide forty-eight (48) hours' notice and may substitute their accrued or earned vacation, personal, sick time in lieu of unpaid leave status for leave taken under this policy. Associates must complete a Time-Off Request Form and provide all appropriate documentation as required by the Company's Leave of Absence policies and/or the regulation.

Court Attendance Leave Policy

Associates will be given leave from work without pay to lawfully respond to a subpoena to attend a court or administrative proceeding (unless such attendance involves jury duty, in which case the Jury Duty policy will control). Associates may, but are not required to use available but unused vacation (or other applicable paid leave) for such leave. An Associate desiring to take such leave should notify his or her manager as far in advance as possible so the Company can make arrangements to cover the Associate's duties. Upon the Associate's return to work, the Associate must provide his or her manager verification of attendance at the proceeding. This policy does not apply to an Associate required to attend court proceedings as a result of being charged with a crime.

Emergency Response Leave

Any Associate in South Carolina who is a volunteer firefighter or a volunteer emergency medical services responder and who, when acting as a volunteer, is part of a "mobilization plan" (pursuant to the Firefighter Mobilization Act) and is responding to an emergency where the President of the United States or the Governor of South Carolina has declared a state of emergency, will be provided an unpaid leave. Associates may, but are not required to, use available but unused vacation (or other applicable paid leave) for such leave. An Associate desiring to take such leave should notify his or her manager as far in advance as possible so the Company can make arrangements to cover the Associate's duties.

Bone Marrow Donation Leave

Any Associate in South Carolina who works at least twenty (20) hours per week is eligible for unpaid leave for the purpose of donating bone marrow. The combined length of leaves taken for this purpose shall be determined by the Associate and verified by a physician, but may not exceed forty (40) work hours in total unless approved in writing by the Company. Associates must request such leave in advance and cooperate with their manager in scheduling such leave to minimize the disruption to operations caused by their absence. Associates must furnish their manager written validation by a physician regarding the purpose and length of each such leave.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

State law requires members of the South Carolina National Guard or the South Carolina State Guard who enter state duty as directed by the governor and receive honorable discharge at the conclusion of that duty to be offered reemployment, with some exceptions. Associates must apply for reemployment within five days of their release from duty or from hospitalization continuing after release. If the Associate remains qualified for the position and the circumstances of the Company are such that reinstatement is reasonable, then the Associate will be restored to the previous position or to a position that is comparable in terms of seniority, status, and salary.

If the Associate is no longer qualified for his previous employment, he or she will be placed in another position for which he or she is qualified, and which will give him or her appropriate seniority, status and salary unless the Company's circumstances make the placement unreasonable.

TENNESSEE

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Tennessee law prohibits discrimination on the basis of race, sex (including pregnancy, childbirth and other pregnancy-related conditions), age, religion, color, national origin, disability, or termination of employment based on tobacco use.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.4 PAY POLICIES

Break Time for Nursing Mothers

It is the policy and practice of the Company to provide nursing mothers with reasonable unpaid break time each workday for the purpose of expressing breast milk for their infant. The break time must, if possible, run concurrently with any break time already provided to the Associate. The Company may limit such break time if such breaks would unduly disrupt Company operations. Nursing mothers will be provided with a room or other location, other than a restroom, in close proximity to the work area to express breast milk in privacy.

Meal Breaks

It is the policy and practice of the Company to provide Tennessee Associates with an unpaid, duty free uninterrupted meal break of at least 30 minutes if the Associate works 6 or more consecutive hours. The meal break must be taken sometime after the first two (2) hours of work and before the last two (2) hours of work. Associates should not spend meal periods at their work stations and/or desks, but should leave Company premises, use provided meal and break areas, or otherwise use the meal time to get away from their work stations. Non-exempt Associates must accurately record time out and time in for meal periods. Under no circumstances may a non-exempt Associate work while reported out for a meal period. Any Associate who is instructed to work through a meal period or otherwise misses a meal period should immediately contact Regional Human Resources.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

3.8 DIRECT DEPOSIT

Associates who are residents of Tennessee are required to receive payment via direct deposit. Each Associate must provide a bank routing number and account number via MyInfo.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Parental Leave

Associates who have been full-time Associates for at least 12 consecutive months preceding the need for leave, are eligible for up to four (4) months of unpaid leave for the birth/adoption of a child. If the Associate is eligible for FMLA leave, this leave will run concurrently with FMLA as that leave is described in 4.8 of this Associate Reference Guide.

An Associate requesting Parental Leave must first utilize all of his or her vacation and personal time. The Company will coordinate payment of accrued time with any short-term disability benefits for which the Associate is eligible. It is the Associate's responsibility to apply for any available disability benefits. Health Insurance and other benefits for an Associate on Parental leave shall continue as long as the Associate continues to pay the Associate's portion of those benefit premiums.

The Associate must contact the appropriate Department as described in the Leave of Absence section to arrange for Parental Leave in advance and all appropriate paperwork must be completed prior to the beginning of the leave. The Associate must give at least three (3) months' advance notice of the anticipated date of departure for Parental Leave, or as much notice as is reasonably practicable. An Associate granted Parental Leave is guaranteed the right to return to his or her original or similar position at the end of the leave except as otherwise provided by law.

4.5 VOTING

Associates in Tennessee may be granted 3 consecutive hours to vote at the beginning or end of the work day. The Associate must request time off to vote no later than twelve o'clock (12:00) noon of the day before the election. An Associate's salary or wages will not be affected by requesting such time off to vote.

TEXAS

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Texas law prohibits discrimination on the basis of national origin, ancestry, race or color, creed, religion, age (40 and over), disability, genetic test results, or sex (including pregnancy, childbirth and other pregnancy-related conditions). Certain local ordinances, such as the Austin Texas AIDS-Based Discrimination ordinance, ban discrimination in employment based on the fact that a person has AIDS or any related medical indicators or symptoms.

2.10 TERMINATION OF EMPLOYMENT

Texas law requires employers to pay any unpaid wages earned to Associates whose employment is terminated involuntarily no later than six (6) days after date of discharge. If Associates quit, retire, resign, or otherwise leave employment voluntarily, unpaid wages are due on the next regularly-scheduled payday following the effective date of the employment separation.

3.8 DIRECT DEPOSIT

Associates in Texas have a Direct Deposit program available to receive electronic payment of wages. To provide a bank account number and routing number, log into MyInfo.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

Members of the state military forces of Texas or any other state who are ordered to authorized training or duty by proper authority will be granted unpaid time off to attend such training or duty. Associates who take time off under this policy must, as soon as practicable after release from duty, give written or actual notice of intent to return to employment. Associates will not be subjected to any loss of vacation time or any benefit of employment during or because of the absence for training or duty. Associates will be reinstated to the same employment held when ordered to training or duty unless the Company's circumstances have changed to an extent that makes reemployment impossible or unreasonable.

5.13 POLYGRAPH TESTING

Texas law limits the use of polygraph tests as a condition of employment or continued employment.

UTAH

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Utah law prohibits discrimination on the basis of race; color; sex; pregnancy, childbirth, or pregnancy-related conditions; age (40 and over); religion; national origin; sexual orientation (actual or perceived), gender identity, or disability. Except in special circumstances, employers may not access or consider a person's private genetic information in connection with an employment decision. Employers may not discriminate in hiring on the basis of membership in the reserves of the U.S. armed forces.

1.6 REASONABLE ACCOMMODATIONS

Utah Associates have a right to request that the Company provide a reasonable accommodation related to pregnancy, childbirth, breastfeeding, or relate conditions, provided that the accommodation does not create an undue hardship on the operations of the Company. To qualify for a reasonable accommodation, the Company may require an Associate to obtain a certification from the Associate's health care provider that provides the date the reasonable accommodation becomes medically advisable, the probably duration of the reasonable accommodation, and an explanatory statement as to the medical advisability of the reasonable accommodation. No certification is required to support a request for an accommodation of more frequent restroom, food, or water breaks.

2.1 NEW HIRE DOCUMENTATION

Employment eligibility will be verified through the e-verify program administered by the United States Department of Homeland Security and the Social Security Administration.

2.10 TERMINATION OF EMPLOYMENT

Under Utah law, if an Associate is terminated, he or she must receive all unpaid earned wages. If an Associate does not have a written contract for a definite period and resigns, then the Associate must receive all unpaid earned wages by the next regular payday. These requirements do not apply to the earnings of a sales agent employed on a commission basis if the net amount due the agent is determined after a verification of sales, accounts, funds, or stocks.

Associates will be paid for accrued unused vacation upon separation from employment.

3.8 DIRECT DEPOSIT

Associates who are residents of Utah are required to receive payment via direct deposit. Each Associate must provide a bank routing number and account number via MyInfo.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Military Leave

If an Associate is a member of a reserve component of the armed forces of the United States and is called to active duty, active duty for training, or state active duty pursuant to military orders, the Associate may be eligible for a leave of absence for up to five years, with a right to reinstatement to his or her prior position with the seniority, status, pay, and vacation benefit the Associate would have had if he or she had not been absent for military purposes.

Required Court Appearances

An Associate who is the parent, guardian, or has legal custody of a minor child required to appear in court may receive unpaid leave to attend court proceedings with the minor child. Associates must request this leave at least seven days in advance (if possible) or within 24 hours of receiving notice that the minor is required to appear in court.

Associates may substitute accrued, unused vacation or personal days for leave taken under this policy.

5.7 SUBSTANCE ABUSE POLICY

Company management, in addition to non-management Associates are subject to testing for alcohol and illegal drugs on a periodic basis. Any drug or alcohol testing shall occur during or immediately after the regular work period of current Associates and shall be deemed work time for purposes of compensation and benefits. The Company shall also pay for all costs of the testing for drugs or alcohol and the cost of any transportation if testing is conducted at a place other than the workplace.

VIRGINIA

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Discrimination on the basis of national origin, race or color, religion, age (40 and over), disability, marital status, or sex (including pregnancy, childbirth, and other pregnancy-related conditions) genetic characteristics or the results of a genetic test, or membership in the Virginia National Guard, Virginia State Defense Force, or naval militia is prohibited. The Company may grant preferences in hiring and promotion to veteran or spouse of an eligible disabled veteran.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Witness/Jury Duty Leave

Associates may take time from work to respond to a jury duty summons or respond to a subpoena to serve as a witness in a civil or criminal proceeding. Associates must provide the Company with 48 hours' notice (if able) and documentation to support time off from work. Time off under this policy is unpaid. Associates may elect to use accrued vacation time for any otherwise unpaid time taken under this policy.

An Associate who is summoned and appears for more than four hours in a given day, inclusive of travel time, will not be required to work a shift beginning at or after 5:00 p.m. on the day of his or her appearance, or before 3:00 a.m. on the following day.

Crime Victim Leave

State law allows Associates who are victims of certain crimes, a spouse or child of a victim, a parent or legal guardian of a victim who is a minor, or a spouse, parent, sibling or legal guardian of a victim who is physically or mentally incapacitated or was the victim of a homicide to take unpaid time off to attend a criminal proceeding they may otherwise have a right to attend. Associates may substitute accrued vacation for purposes of an absence under this section. If a non-exempt Associate has insufficient accrued vacation, the leave will be unpaid. An Associate taking Crime Victim Leave must give his/her supervisor reasonable advance notice of the Associate's intention to take time off for these purposes by filling out a Time-Off Request Form and providing the Company with a copy of the notice of the scheduled proceeding, unless advance notice is not feasible. If an unscheduled absence occurs, the Associate, within a reasonable time after the absence, must provide the required documentation,

including a Time-Off Request Form, to the Company. Leave under this policy may be limited if the Associate's leave creates an undue hardship to the Company's business.

Election Officer Leave

Associates may take unpaid leave to serve as an officer of election. Associates will not be required to use sick leave or vacation time as a result of this absence, provided they give reasonable notice. An election officer who serves for more than four hours in a given day, inclusive of travel time, will not be required to work a shift beginning at or after 5:00 p.m. that day or before 3:00 a.m. on the following day.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

Members of the Virginia National Guard, Virginia State Defense Force, or naval militia called to state active duty or military duty will be granted an unpaid leave of absence. Associates taking leave under this policy may, but are not required to, use accrued vacation or other accrued personal leave for a period of active service. Upon honorable release from state active duty or military duty, Associates who take leave under this policy must make a written request for reinstatement within (i) 14 days of release from duty or from hospitalization following release if the length of the Associate's duty absence does not exceed 180 days or (ii) 90 days of release from duty or from hospitalization following release if the length of the Associate's duty absence exceeds 180 days. Associates will be reinstated to the position they held when ordered to duty unless the position has been abolished or has ceased to exist during such leave of absence, in which case the Associate will be reinstated in a position of like seniority, status and pay if such a position exists, or to a comparable vacant position for which they are qualified unless to do so would be unreasonable. Associates have no reinstatement rights when the cumulative length of the absence and of all previous absences by reason of service in the uniformed services exceeds five years.

Polygraph Testing

The Company will not, as a condition of employment, require a prospective employee to answer questions in a polygraph test concerning the prospective employee's sexual activities unless such sexual activity of the prospective employee resulted in a conviction of a violation of the criminal laws of the State of Virginia.

Any written record of the results of a polygraph examination given to a prospective employee must be destroyed or maintained on a confidential basis by the Company giving the examination and may be open to inspection only upon agreement of the employee tested.

Social Media

The Company will not require a current or prospective employee to: (1) disclose the username and password to his or her social media account; or (2) add an employee, supervisor, or administrator to the list of contacts associated with his or her social media account.

If the Company inadvertently receives an employee's username, password, or other login information associated with an employee's social media account through the use of an electronic device provided to the employee by the employer or a program that monitors an employer's network, the Company will not use that information to gain access to an employee's social media account.

For purposes of this policy, a “social media account” is a personal account with an electronic medium or service where users may create, share, or view user-generated content, including, without limitation, videos, photographs, blogs, podcasts, messages, emails, or website profiles or locations.

A “social media account” does not include an account (i) opened by an Associate at the request of the Company; (ii) provided to the Associate by the Company such as the employer’s email account or other software program owned or operated exclusively by an employer; (iii) set up by an Associate on behalf of the Company; or (iv) set up by an Associate to impersonate the Company using the Company’s name, logos, or trademarks.

The Company may ask an Associate to disclose his or her username and password for the purpose of accessing a social media account only if the Associate’s social media account activity is reasonably believed to be relevant to a formal investigation or related proceeding by the Company of allegations of an employee’s violation of federal, state, or local laws or regulations or of the Company’s written policies. If the Company exercises this right, the employee’s username and password shall only be used for the purpose of the formal investigation or a related proceeding.

The Company may view information about a current or prospective employee that is publicly available.

WASHINGTON

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:**1.5 ANTI-DISCRIMINATION POLICY**

Washington law prohibits discrimination on the basis of race or color, religion, national origin, age (40 and over), sex (including pregnancy and maternity), marital status, disability, use of guide dog or service animal by a person with a disability, HIV/AIDS or Hepatitis C status, sexual orientation or gender identity, honorably discharged veteran or military status.

2.4 PAY POLICIES

It is the policy and practice of the Company to provide non-exempt Associates with an unpaid, off-duty, uninterrupted lunch break of at least 30 minutes beginning between two and five hours after the beginning of each shift. Associates who work three or more hours longer than a normal workday will receive an additional 30-minute meal period during the overtime period. Associates are entitled to a rest break of at least 10 minutes for each four hours of working time. Associates will not be required to work more than five consecutive hours without a meal period or three consecutive hours without a rest break.

Non-exempt Associates must accurately record all time, including but not limited to time out and report time in for meal periods.

Under no circumstances will an Associate who in good faith reports alleged violations of this policy, or who cooperates in any investigation related to any such alleged incidents, be subjected to any form of reprisal or retaliation for the report or cooperation.

2.10 TERMINATION OF EMPLOYMENT

Associates will be paid for accrued unused vacation upon separation from employment.

3.8 DIRECT DEPOSIT

Associates who are residents of Washington are required to receive payment via direct deposit. Each Associate must provide a bank routing number and account number via MyInfo.

4.1 LEAVES OF ABSENCE

Each request for a leave of absence under this policy must be communicated to the appropriate Department as described in the Leave of Absence section.

Domestic or Sexual Violence Leave

State law allows Associates who are victims of domestic or sexual violence, or who have a family or household member who is a victim of domestic or sexual violence, to take a reasonable amount of unpaid leave from work. Such unpaid leave must be used for one or more of the following reasons: 1) to take care of legal or law enforcement needs; 2) to obtain medical care and/or mental health counseling for the Associate and/or Associate's family or household member; 3) to obtain services from a victim services organization; or (4) to participate in safety planning, temporary or permanent relocation or taking other actions to increase the safety of the Associate or the Associate's family member. Before obtaining such leave, Associates must first exhaust all accrued or earned vacation, personal, or sick time. Associates must provide reasonable advance notice of the leave, if feasible, and must provide all appropriate documentation as required by the Company's leave of absence policies and/or the statute. See the Leave of Absence section for contact information.

Emergency Services Personnel

An Associate who is a volunteer firefighter or reserve peace officer may take unpaid leave for the purpose of responding to, working at, or returning from a fire alarm or emergency call if his or her presence is requested by the on-scene commander, and an Associate who is a member of the Civil Air Patrol may take unpaid leave for the purpose of responding to an emergency service operation. Leave may not be taken under this Policy for the purpose of participating in training or other nonemergency activities.

Associates who return to work from a leave taken under this Policy will be returned to their job without loss of seniority or benefits.

Washington Family Care Act

In compliance with the Washington Family Care Act, as amended in 2003, the Company permits full-time Associates who have available sick or vacation time to use their choice of this paid time off for the following family care purposes:

- To care for a child of the Associate with a health condition that requires treatment or supervision; or
- To care for a spouse, parent, parent-in-law, or grandparent of the Associate who has a serious health condition or an emergency condition.

The Washington Family Care Act defines a "child" of the Associate as including a biological, adopted, or foster child, a stepchild, a legal ward, or a child of person standing in loco parentis who is: (a) under 18 years of age; or (b) 18 years of age or older and incapable of self-care because of a mental or physical disability.

An Associate may not take sick or vacation time for any purpose, including family care, until the paid time off benefit has been accrued or earned and is otherwise available for the Associate's use (e.g.,

vacation is not available for use before completing 90 days of continuous full-time service). An Associate who takes leave for one of the above family care purposes must comply with the terms of the Company's policies applicable to the leave (except for any terms relating to choice of level).

The Washington Family Care Act applies to the use of the Associate's paid sick leave or other paid time off benefits. Associates who need unpaid time off for family care purposes should consult the FMLA Policy and the Washington Family and Medical Leave Policy.

4.2 SICK LEAVE

Associates Who Perform Work In Seattle:

Except as otherwise required by law, Associates who perform work in Seattle, including part-time, temporary, and seasonal Associates, will receive paid sick/safe time (PSST) leave to use when they are sick or need medical care, or to care for a child, grandparent, parent, parent-in-law, spouse, or registered domestic partner when those persons are sick, need medical care, or need care due to domestic violence, sexual assault or stalking (employees may also use safe time to assist a roommate who is being stalked), or due to closure of businesses or schools due to a public health emergency. For every 30 hours worked, an Associate accrues one hour of PSST. PSST accrues and may be used in hour-unit increments. Associates who occasionally perform work in Seattle begin accruing PSST after working at least 240 hours in Seattle during a calendar year. PSST does not accrue while an Associate is not working, such as when out on vacation or out sick. An Associate's accrued PSST leave does not expire; a maximum of 72 hours carries over from year to year.

Associates must provide ten (10) days' advance notice (unless 10 days' notice is not practicable despite the Associate's good faith efforts) for foreseeable leaves by completing a Request for Time Off Form. If the need for leave is not foreseeable, or if 10 days' notice is not practicable, for reasons such as because of a lack of knowledge of approximately when leave will be required to begin, a change in circumstances, or a medical emergency, notice must be given as soon as practicable. For PSST leave exceeding three consecutive work days, Associates may be asked to provide medical documentation to support the reason for the absence.

Except as discussed above, and to the full extent allowed by law, all other conditions and restrictions placed on an Associate's use of sick leave apply. No Associate will be subjected to any form of retaliation for using PSST.

Please see the end of this section for important information from the Seattle Office of Labor Standards.

Associates Who Perform Work in Tacoma:

Eligible Associates who work in Tacoma will receive paid leave ("Paid Leave") when they are unable to work due to illness or other specified reasons. This policy is intended to comply with the minimum requirements of the Tacoma Paid Leave Ordinance, Tacoma Municipal Code 18.10 (the "Paid Leave Ordinance"). In the event that the Paid Leave Ordinance provides for greater leave rights than this policy, the Paid Leave Ordinance controls.

Eligibility

This policy applies to Associates who perform work in Tacoma, Washington for 80 hours or more in a calendar year, and Associates who are regularly scheduled to perform full-time, part-time or temporary work within Tacoma limits ("Tacoma-Based Associates"). New Associates may not use Paid Leave during the first 180 days of their employment.

Associates who have a break in employment do not need to reestablish eligibility in subsequent calendar years unless they change employers or are separated from the Company for more than six (6) months.

Accrual

Tacoma-Based Associates will accrue one hour of Paid Leave for every 40 hours worked, beginning on their first day of employment. Paid Leave will not accrue during periods when an Associate is on a paid or unpaid leave.

Associates may accrue and use a maximum of 24 hours of Paid Leave in a calendar year, January 1 to December 31. The Company strongly encourages Associates to take Paid Leave in the year in which it accrues. Associates may carry over a maximum of 40 hours of accrued and unused Paid Leave to the next calendar year. As an exception to the 24-hour maximum usage provision of the ordinance, Associates may use a combined total of up to 40 hours of carried over and newly accrued time in the next calendar year.

Rate of Pay

For non-exempt hourly Associates, Paid Leave will be paid at the Associate's straight time hourly wage rate for each scheduled hour of Paid Leave. The Company will not pay an Associate's overtime rate when an Associate uses Paid Leave, even for hours that would have been overtime hours if worked.

For non-exempt salaried Associates, Paid Leave will be paid at a rate calculated by dividing their prorated weekly salary, based on a 52-week year, by 40 or fewer hours (depending on the Associate's standard workweek), even if the non-exempt Associate regularly works more than 40 hours per week.

For exempt salaried Associates, Paid Leave will be paid at a rate calculated by dividing their prorated weekly salary, based on a 52-week year, by the number of hours in a normal work week.

Usage

Eligible Associates may use Paid Leave in increments of one (1) hour or more for any purpose that qualifies for paid time off under the Paid Ordinance, which includes the following:

- Sick Time: An absence resulting from an Associate's mental or physical illness, injury, or health condition; to accommodate medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or preventive medical care.
- Family Care: To allow the Associate to care for a family member with a mental or physical illness, injury, or health condition; care for a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care.
- Business or School Closure: When the Associate's place of business has been closed by order of a public official to limit exposure to an infectious agent, biological toxin, or hazardous material, or to allow the Associate to care for a child whose school or place of care has been closed by order of a

public official. The Company is not required to make Paid Leave available for weather-related business or school closures.

- Domestic Violence: For any of the reasons related to domestic violence, sexual assault or stalking for which unpaid leave must be granted pursuant to the Washington Domestic Violence Leave Law (RCW Chapter 49.76). Reasons include to enable the Associate to seek legal or law enforcement assistance or remedies to ensure the health and safety of the Associate or the Associate's family member or household member, including, but not limited to, preparing for or participating in any civil or criminal legal proceeding related to or derived from domestic violence, sexual assault, or stalking; to enable the Associate to obtain, or assist a family member in obtaining, services from a domestic violence shelter, rape crisis center, or other social services program for relief from domestic violence, sexual assault, or stalking; and to enable the Associate to participate in safety planning, temporarily or permanently relocate, or take other actions to increase the safety of the Associate or Associate's family members from future domestic violence, sexual assault, or stalking.
- Bereavement: For bereavement for the death of a family member.

"Family Members" include the following: (1) a biological, adopted or foster child, stepchild, legal ward or child of a person standing in loco parentis who is: (a) under the age of 18, or (b) who is 18 years or older and incapable of self-care due to a mental or physical disability; (2) a grandparent of an Associate; (3) a biological or adoptive parent of an Associate, or an individual who stood in loco parentis to the Associate when the Associate was a child; (4) a husband, wife, or domestic partner.

"Household Members" include the following: spouses, domestic partners, former spouses former domestic partners, persons who have a child in common regardless of whether they have been married or have lived together at any time; adult persons who are presently residing together or who have resided together in the past; persons 16 years of age or older who are presently residing together or who have resided together in the past and who have or have had a dating relationship; persons 16 years of age or older with whom a person 16 years of age or older has or has had a dating relationship; and persons who have a biological or legal parent-child relationship, including stepparents and stepchildren and grandparents and grandchildren.

Notice

If the need for Paid Leave is foreseeable, the Company requires that Associates provide at least 10 days' notice to Human Resources Director stating the general reason for the need for Paid Leave. Failure to provide the required notice may result in a denial of the request for Paid Leave. Associates will be required to make a reasonable effort to schedule a foreseeable need for Paid Leave in a manner that does not unduly disrupt operations of the Company.

If the need for Paid Leave is unforeseeable, the Associate must provide notice to Human Resources Director before the start of the Associate's shift or as soon as practicable. The Associate must also notify Human Resources Director of any change in the expected duration of the Paid Leave absence as soon as practicable.

Documentation

The Company may request reasonable documentation that the Paid Leave is being used for a purpose consistent with the Paid Ordinance. A written statement by the Associate that explains why the absence on a particular date and time qualifies for Paid Leave qualifies. The Company will keep all information about the reason for the requested Paid Leave confidential.

Associates may not use Paid Leave while on any other paid leave approved by the Company. For example, an Associate may not use Paid Leave while receiving workers' compensation benefits. Depending on the

reason, an Associate's use of Paid Leave may also qualify for, and the Company may designate the leave as, concurrent leave under other federal or Washington law (e.g., family medical leave, domestic violence, etc.).

Leave Balance

The Company will provide Associates with a written statement each time wages are paid that sets out the amount of unused Paid Leave that is available for use.

If an Associate is separated from employment and rehired within six months in the same calendar year as separation, any previously accrued unused paid leave shall be reinstated. The Associate shall be entitled to use any reinstated accrued paid leave and newly accrued paid leave immediately upon recommencement of employment, provided that the Associate was previously eligible to use paid leave.

Unused Paid Leave

Associates will not be paid for any unused Paid Leave. Payment for an Associate's Paid Leave is not considered earned or owed until Paid Leave is used. Upon an Associate's termination for any reason, all unused Paid Leave is forfeited by the Associate, and the Company will have no obligation to pay the Associate for the unused Paid Leave.

No-Retaliation Policy

The Company strictly prohibits retaliation against Associates who request or use Paid Leave for a purpose that qualifies under the Paid Leave Ordinance. The prohibition against retaliation extends to any Associate who has aided or encouraged another Associate in the exercise or attempt to exercise the right to use Paid Leave. Associates have a right to file a complaint if they are denied Paid Leave for a qualifying purpose or if they are retaliated against for requesting or taking Paid Leave for a qualifying purpose. If an Associate believes that he or she has been wrongfully denied Paid Leave or retaliated against for requesting or taking Paid Leave, he or she must immediately notify the Human Resources Director.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

Washington law requires that employers offer up to 15 days unpaid leave of absence when an Associate's spouse or registered domestic partner is called into active duty for the armed forces or is (or will be) deployed during a period of military conflict or when the military spouse is on a leave from the deployment. Associates must present the applicable spouse or registered domestic partner's duty papers to the appropriate Department as described in the Leave of Absence section.

4.8 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Washington Family Leave Act (WFLA)

The Company complies fully with the law as set forth in the Washington Family Leave Act (WFLA). The following highlights some of the key provisions of the WFLA.

Associates are eligible for WFLA leave if they have been employed by the Company for at least 12 months (consecutive or non-consecutive months) and they worked at least 1,250 hours during the 12 months immediately preceding commencement of the leave. An eligible Associate's entitlement to WFLA Leave is limited to a total of 12 workweeks of leave in a 12-month period for any one or combination of the events for which WFLA Leave is available.

Eligible Associates may take up to 12 weeks of unpaid family leave within a one-year period for any of the following purposes: (1) For the birth of a child of the Associate, for the placement of a child with the Associate for adoption or foster care, or to care for the Associate's newborn child or the Associate's newly adopted or new foster child. Leave for this purpose must conclude 12 months after the birth, adoption, or placement; (2) Because of the Associate's own serious health condition (excluding serious health conditions related to pregnancy, childbirth, or related medical conditions) that makes the Associate unable to perform his or her job at all or unable to perform anyone or more of the essential functions of his or her job; or (3) To care for a spouse, registered domestic partner, child, or parent with a serious health condition.

In the case of leave taken for the birth or placement of a child with the Associate, the Associate may take leave intermittently or on a reduced schedule with the Company's agreement; except that the Company's agreement is not required for leave during which the Associate has a serious health condition in connection with the birth of a child or if the newborn child has a serious health condition. Leave may also be taken intermittently or on a reduced-hours basis when medically necessary (as determined by the health care provider of the person with the serious health condition) for medical treatment of a serious health condition by or under the supervision of a health care provider, or for recovery from treatment or recovery from a serious health condition, or to provide care or psychological comfort to a qualifying immediate family member with a serious health condition. Intermittent or reduced schedule leave may also be taken for absences where the Associate or family member is incapacitated or unable to perform the essential functions of the position because of a chronic serious health condition even if he or she does not receive treatment by a health care provider. If an Associate requests intermittent leave or reduced work hours for a serious health condition of the Associate or a qualifying family member when the condition is foreseeable based on planned medical treatment, the Company may elect to transfer the Associate temporarily to a position which better accommodates recurring periods of leave, providing the position is of equal pay and benefits.

If both parents are employed by the Company, they may take only a combined total of 12 workweeks of WFLA Leave for the birth, adoption, or foster care placement of their child, or to care for a parent with a serious health condition.

Associates must provide notice to the Company at least 30 days before commencing WFLA leave by contacting the appropriate Department as described in the Leave of Absence section, unless the need for leave arises unexpectedly (e.g., an unexpected serious health condition, or the premature birth of a child). The Associate is also required to provide medical verification of the need for leave. When an Associate is unable to give 30 days' notice, but has some advance notice of the need for leave, the Associate must provide the Company with as much advance notice as is practicable. If an Associate commences leave without any prior notice (because the need for leave arises unexpectedly) he or she, or someone on his/her behalf, must give notice to the Company within 24 hours after the leave began.

Leave under the FMLA runs concurrently with leave under the WFLA to the extent permitted by federal and Washington law. However, leave taken to care for a registered domestic partner with a serious health condition is available only under the WFLA and therefore does not count against an Associate's 12 workweeks of FMLA Leave. Similarly, leave to care for a Servicemember and leave for qualifying exigencies are only available under the FMLA and therefore do not count against an Associate's 12 workweeks of WFLA Leave. Furthermore, leave taken by an Associate because of her own disability caused by pregnancy, childbirth, or related medical conditions does not count under the WFLA, but will count toward the Associate's FMLA entitlements.

WFLA Leaves are unpaid leaves. Associates may be required to use accrued sick leave, accrued vacation, and personal days during any otherwise unpaid WFLA Leave.

Except as specifically stated in this policy, the Company will provide the same benefits for an Associate on WFLA Leave that it provides for Associates on FMLA Leave and will impose the same requirements on an Associate on WFLA Leave that it imposes on Associates on FMLA Leave. Associates should look to the general FMLA section regarding FMLA requirements. For more information, call the Leave of Absence Department.

When an Associate wishes to return from leave, the Company may require that the Associate receive certification from his or her health care provider that the Associate is able to resume work.

Associates who return to work from an approved WFLA leave within the time frame allowed by Washington law will be returned to their job or an equivalent position with equivalent benefits, pay, seniority, and other terms and conditions of employment, with some exceptions as permitted by applicable law.

4.9 PREGNANCY DISABILITY LEAVE

The Company complies with the Washington Pregnancy Disability Leave Law, which requires it to permit all female Associates to take a reasonable unpaid leave of absence as needed for the period(s) of time the Associate is sick or temporarily disabled by pregnancy, childbirth, or related medical conditions. Each female Associate is eligible for PDL, regardless of length of service or any other criteria. Time taken off for PDL does not count against the 12 workweeks of leave available under the Washington Family Leave Act, but does count against the FMLA entitlement. The Company will count periods of PDL as FMLA Leave for Associates who are eligible for FMLA Leave and, except as specifically stated in this policy, will provide the same benefits for an Associate on PDL that it provides for Associates on FMLA Leave and will impose the same requirements on an Associate on PDL that it imposes on Associates on FMLA Leave. PDL is unpaid leave.

Under most circumstances, an Associate who takes PDL is guaranteed the right to return to her original or similar position at the end of the leave.

Please see the end of this section for important information from the Seattle Office of Labor Standards.

5.8 HUMAN RESOURCES RECORDS ACCESS

Upon an Associate's written request, the Company will permit inspection of the Associate's personnel file at least once per year. A copy of an Associate's personnel file will be made available for inspection within ten business days of the Associate's request either at the location where the Associate works or at a mutually convenient location agreed upon between the Associate and the Company. Washington law does not permit Associates to access records of an Associate relating to the investigation of a possible criminal offense, or to information or records compiled in preparation for an impending lawsuit which would not be available to another party under the rules of pretrial discovery for causes pending in the superior courts. If an Associate requests that the Company remove or correct information and the Company declines, the Associate may place a written statement in his or her personnel file with his or her suggested corrections.

5.13 POLYGRAPH TESTING

Washington law prohibits the use of polygraph tests as a condition of employment or continued employment.



Seattle Paid Sick and Safe Time

Starting September 1, 2012, employers are required to provide paid sick and safe time to their employees who work within Seattle city limits.

Employees are eligible for paid sick and safe time if work is performed on a full-time, part-time or temporary basis, including employees who occasionally work in Seattle for more than 240 hours per calendar year.

Paid sick and safe time may be used for:

- illness, injury or health condition or for preventative care for an employee or an employee's partner or family members.
- reasons related to domestic violence, sexual assault, or stalking.
- school or workplace closure by a public official to limit health hazards.

Paid Sick and Safe Time Ordinance: SMC 14.16

Tier	Employer Size	Accrual	Use	Carry Over
Not Covered	4 or fewer employees	No accrual, use or carry over requirement. Notice and anti-retaliation provisions apply.		
1	More than 4 to 49 employees	1 hour for every 40 hours worked	40 hours per calendar year	40 hours per calendar year
2	More than 49 to 249 employees	1 hour for every 40 hours worked	56 hours per calendar year	56 hours per calendar year
3	250 or more employees	1 hour for every 30 hours worked	72 hours per calendar year	72 hours per calendar year
	250 or more employees (with PTO policy)	1 hour for every 30 hours worked	108 hours per calendar year	108 hours per calendar year

Employers must notify employees of available paid sick and safe time each time wages are paid.

It is illegal to retaliate against employees who request or use PSST. Employees can file a complaint or bring a civil action if they are retaliated against or their PSST rights are violated.

To file a complaint under this Ordinance, contact the **Seattle Office of Labor Standards** at: 206-684-4500 or seattle.gov/psst. This information is available in other languages and formats.

Updated 12/07/2015



WYOMING

It is the Company's policy to fully comply with all applicable federal, state and local employment laws and regulations. This section outlines modifications made to Company policies in order to ensure that each policy complies with corresponding state and/or local laws.

This section is not all-inclusive and does not describe in specific detail the terms and conditions of each law. For additional information regarding any Company policy or federal, state or local law, call the Regional or Corporate Human Resources, Benefits or Payroll Departments.

Company Policy and Section Amended to Reflect State or Local Law:

1.5 ANTI-DISCRIMINATION POLICY

Wyoming law prohibits discrimination on the basis of national origin, race or color, ancestry, religion, creed, age (40 and over), disability, use or non-use of tobacco products in off duty time or sex (including pregnancy, childbirth, and other pregnancy-related conditions).

2.10 TERMINATION OF EMPLOYMENT

Under Wyoming law, Associates must be paid any wages due no later than the Company's next regularly scheduled payroll.

4.6 MILITARY RESERVE DUTY AND OTHER MILITARY SERVICE

An Associate who is a member of the armed forces the army or air national guard, the commissioned corps of the public health or any other category of persons designated by the President in times of war or emergency ("uniformed services") may take up to five years of leave to perform his or her duties as required by a military order to active duty, active duty for training, inactive duty training, or state active duty. Such leave may be paid, or partially paid, in accordance with this Associate Resource Guide. The Associate will continue to accrue sick leave, personal leave, vacation leave and military leave on the same basis as he would have accrued such leave during the period of service in the uniformed services. An Associate may maintain an insurance plan by continuing to make the appropriate payments for said coverage during the covered military leave.

When an Associate applies for re-employment in a manner otherwise consistent with the requirements of the law, the returning Associate will be re-employed without loss of seniority or benefits unless an exception under the law is permitted or otherwise required.

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