12  
EMPLOYEE HANDBOOK

Welcome to 12 (“12sd” or the “Company”). 12sd appreciates your willingness to come work for the Company, and 12sd looks forward to a mutually satisfactory employment relationship with you. This Employee Handbook (the “Handbook”) details many of the Company’s more significant employment policies and practices as they relate to you and your fellow employees, while at the same time providing you with an overview of the benefits to which you may be entitled as an employee of 12sd.

PLEASE REMEMBER THAT THIS HANDBOOK DOES NOT, AND NEVER WILL, CONSTITUTE AN EMPLOYMENT AGREEMENT WITH 12SD, AND YOU SHOULD NEVER VIEW IT AS SUCH.

**In fact, it is important for you to remember that at all times during your employment with 12sd, you shall be an at-will employee, and nothing contained in this Handbook is intended to alter the at-will relationship between you and the Company. Being an at-will employee means that 12sd may terminate your employment at any time with or without notice or cause. By signing the acknowledgment page of this Handbook, you are acknowledging that you were provided a copy of the Handbook and were encouraged to both read it and ask questions about any part that you did not understand.**

# JOB DESCRIPTION, WORK HOURS, AND CLASSIFICATION

## Job Description & Work Hours

Your initial job duties are set forth in the Job Description addendum attached to this Handbook as ***Exhibit “A.”*** If you have any questions about your work hours, duties, or responsibilities, please talk with asd.

12sd may, in its sole discretion, alter or modify your job duties or work hours for any reason it sees fit. In the event that the Company elects to alter or modify your job duties or work hours, however, it shall provide you with reasonable prior notice.

## Classification

Classification is a fancy word to describe what type of employee you are. For example, you might be a *full-time* employee, or you might be a *part-time* employee. Likewise, you might be an *exempt* employee, while a coworker might be a *non-exempt* employee.

In discussing the differences between exempt v. non-exempt employees, the word “exempt” is, for the most part, meant to describe an employee’s being exempt from the protections of federal and state overtime laws. Exempt employees, who are almost always paid a salary (as opposed to hourly), must earn a certain amount of money *and* fall into 1 or more of several categories of workers (e.g., executives, professionals, etc.).

**12sd has designated you as an *exempt* employee.** This means that you fit into at least 1 of the 5 most common exemptions typically reserved for higher paying jobs with more responsibilities. It also means that you are *not* entitled to increased compensation for working overtime or to specific breaks and meal periods. If you have any questions regarding why you have been designated as exempt, you may discuss the matter with asd.

You are considered a full-time employee if you work at least 30 hours per week. Otherwise, you will be deemed a part-time employee.

# WORKWEEK / Paychecks

12sd’s workweek runs from through . Subject to limited exceptions, you are entitled to at least 1 day off during every workweek. For specific information regarding your typical work hours and compensation, please refer to the Notice to Employee addendum attached to this Handbook as ***Exhibit “C.”***

Deductions will be made from your paycheck for federal and state withholding and employment taxes, as well as for contributions you have requested to retirement and other employee benefit plans maintained by 12sd, if any. Garnishments or other deductions required by law, as well as voluntary deductions you have requested, will also be deducted from your paycheck.

All such deductions, including amounts, will be described on a statement accompanying your paychecks. You should review the statements carefully each time you receive a paycheck, and if you have questions about the nature or amount of any deductions made, you should pose those questions to asd.

In the event that you ever receive special compensation (e.g., bonuses) in the form of cash, taxes will be deducted automatically, just as in the case of your regular compensation, and you will be provided with a statement of the specific taxes deducted.

12sd may, in its sole discretion, alter or modify your compensation, or the schedule upon which it pays your compensation, for any reason it sees fit. In the event that 12sd elects to alter or modify your compensation or compensation schedule, however, the Company shall provide you with reasonable prior notice.

# Employee Benefit Plans

12sd may, in its sole discretion, alter or modify its benefits package. In the event that 12sd elects to alter or modify its benefits policies, however, it shall provide you with reasonable prior notice.

# Expense Reimbursement

## General

12sd shall reimburse you for any necessary business-related expenses incurred in the performance of your job duties. Whether an expense is “necessary” or not depends upon several factors. If you’re unsure whether a particular expense is reimbursable or not, please ask asd before incurring the expense.

You are, of course, expected to exercise discretion and good business judgment in incurring expenses for which you’re seeking reimbursement. Part of exercising such good judgment is making sure that you’re as careful about reimbursable expenses as you would be if you were spending your own money.

12sd reserves the right to modify its expense reimbursement policies or forms in its sole discretion and without notice to you. Any such modifications, however, will not affect reimbursement of expenses incurred by you prior to the policy change.

## Vehicle-Related Expenses

Other vehicle-related procedures and requirements are referenced in the Company’s Vehicle Use Agreement, a copy of which shall be provided to you concurrently with this Handbook.

# TIME OFF & NON-EXTENDED LEAVE

## Holidays

12sd may, in its sole discretion, modify, expand, or limit its holiday policies without prior notice to you.

## Paid Vacation Time

## Sick Leave

You may utilize your paid sick leave to care for yourself when you are sick, or to care for a family member. You may also utilize your paid sick leave to care for yourself if you have been a victim of domestic violence, stalking, or sexual assault. [*For purposes of this Handbook, and in compliance with California law, “family member” includes your: (i) children, regardless of age, and regardless of whether or not they’re “step,” “foster,” or adopted children; (ii) parents, regardless of whether or not they’re your biological, “step,” “foster,” or adoptive parents, and also including the parents of your registered domestic partner; (iii) spouse; (iv) registered domestic partner; (v) sibling; (vi) grandparent; or (vii) grandchild.*]

If you need to miss work due to an illness, domestic violence, stalking, or sexual assault, you must provide asd with notice in advance of the 1st day of your absence, immediately prior to your departure from work, or as soon after your departure as is reasonable under the circumstances. When providing asd with such notice, you must report the type of sickness or nature of the absence with which you or a family member are dealing (e.g., taken to address domestic violence, etc.), and the date you expect to return to work. 12sd reserves the right to request a doctor’s note at any time during or at the conclusion of your sick leave.

Keep in mind that 12sd depends upon all of its employees, including you, to be present during scheduled work hours. Such dedication on your part is necessary to the Company’s smooth operation and success. For that reason, you may only use your paid sick leave for those times when you or a family member is sick or has suffered with domestic violence, and not, for example, because you want to enjoy a long weekend.

In no event will you ever be entitled to be paid for any accrued and unused sick leave.

12sd may, in its sole discretion, pursuant to applicable law, alter or modify its paid sick leave policy without prior notice to you. No such alteration or modification, however, will affect any unused sick leave that you accrued prior to your being notified about the policy change.

## Jury Duty

## Domestic Violence, Crime, and Witness Leave

If you provide reasonable advance notice to asd, you may take time off to: (i) appear in court if you have been served with a summons, subpoena, or court order; (ii) appear in court to obtain relief (e.g., obtain a restraining order) if you or your child(ren) were the victims of domestic violence, sexual assault, or stalking; and (iii) attend any court proceedings regarding a crime in which you, your child(ren), an immediate family member, your registered domestic partner, or a child of your registered domestic partner were a victim.

In addition, if you or a family member of yours are victims of domestic violence, sexual assault, or stalking, you may also take leave to seek medical attention for related injuries, seek help from a domestic violence shelter or program (e.g., a rape crisis center), seek psychological counseling, receive safety planning training, or take any other reasonable actions to increase your (or your family member’s) safety.

12sd will work with you in good faith to provide you with reasonable accommodations if you have been a victim of domestic violence, sexual assault, or stalking. Such accommodations might include things like a transfer, reassignment, a modification to your work schedule, installing locks, changing your work telephone number, moving you to a different workstation, or modifying/implementing specific safety procedures for the Company.

Subject to applicable federal and state law, such leave will *not* run concurrently with any other leave laws to which you might be entitled.

## Miscellaneous Leave

12sd shall abide by all applicable federal and state laws regarding leaves of absence, including without limitation, those related to the following:

### Voting

If your normal work hours prevent you from taking sufficient time off to vote, you may take up to 2 hours of work time to vote. This leave is only available to you if you do not have sufficient time to vote during your scheduled hours on election day.

If you must take time to vote during working hours, you must inform asd at least 2 business days before the election. Such time off to vote must be taken either at the beginning or end of your work shift, whichever allows the most free time for you to vote and the least time off from work.

### School-Related Activities

You may take leave to appear at your child’s school if your child, step-child, foster child, or grandchild has been suspended or otherwise disciplined, or if the school has requested your presence. You must, however, provide reasonable advance notice, if possible, to asd prior to availing yourself of such time off.

### Volunteer Firefighter and Reserve Police

If you are a volunteer firefighter, reserve peace officer, or emergency first responder, and your services are officially required to *perform* actual emergency services, 12sd will grant you leave to perform those emergency services. You must, however, return to work immediately upon completing your official emergency duties.

### Paid Kin Care

California law allows employees like you who accrue sick leave to take, as *unpaid* leave, up to half the time they are eligible to accrue annually, to care for spouses, registered domestic partners, parents, or children. Please direct all requests to provide such care to asd.

# PROLONGED / EXTENDED LEAVE

## FMLA, CFRA, and NPLA

At this time, you are not entitled to leave under California’s Family and Medical Leave Act, California’s Family Rights Act, or the New Parent Leave Act. If you have any questions regarding your eligibility for such leave in the future, you should ask asd.

## Pregnancy-Disability Leave

At this time, you are not entitled to pregnancy-disability leave. Nevertheless, 12sd recognizes that you could suffer from a pregnancy-related disability. If you would like to discuss taking time off as a result of your pregnancy or related medical condition, talk with asd. 12sd will consider such requests on a case-by-case basis.

## Worker’s Compensation

Subject to applicable law, 12sd provides worker’s compensation insurance coverage to employees who suffer on-the-job injuries. The insurance covers things like the cost of medical care and hospitalization, as well as lost wages.

If you suffer an on-the-job injury or illness caused by your job duties, no matter how minor you think the injury/illness might be, you must immediately report the details to asd. Please note that a failure on your part to do so may impact your ability to obtain or claim any applicable benefits.

Finally, please note that 12sd will not be liable for the payment of worker’s compensation benefits for any injury that results from your participation in any off-the-job, recreational, social, or athletic activity.

# RESERVED

# OVERTIME

As an exempt employee, you are not entitled to receive extra pay for working on holidays or for working more than 8 hours in a day or 40 hours in a workweek.

If you are asked to work on holidays or after hours, you must do so.

# BREAKS

## Cooling Off

If your job duties necessitate your working outside and you become overheated, and if you believe that you must take a reasonable amount of time to get some shade to cool down, you are obligated to take a preventative cool-down rest break to cool down and prevent heat-related illness. Since the need to take such breaks varies from individual to individual, and cannot therefore be scheduled, it is your responsibility to take such breaks when you need them.

## Lactation Breaks

If you are a nursing mother, you may take a reasonable amount of break time to express breast milk for your child(ren).

Please speak with asd for information about the designated location for you to take your lactation breaks, as well as any other questions you may have regarding the lactation-related accommodations to which you may be entitled.

# PERSONNEL RECORDS

You are responsible for ensuring that you keep 12sd informed regarding your personal information. If there is a change in your address, telephone number, marital status, emergency contact information, or the number and names of your dependents, you must notify asd in writing.

You are also responsible for making sure that 12sd has accurate tax information for you, and therefore you must make sure that your Form W-4 on file with 12sd is always up to date and accurate. If your tax information changes, you must request and complete a new W-4 and provide it to asd.

Personnel material is shared within the Company on a need-to-know basis. For example, 12sd provides employee information to its accountants and attorneys, as well as to other individuals in a supervisory position who have a need to know such information. 12sd may also provide your information to outside agencies, but only with your written consent, or as required by law.

All personnel records maintained by 12sd belong to the Company. If, however, you submit the Company’s Records Request Form at least 30 days in advance (a copy of that form shall be made available to you upon your request), and if you pay the Company its actual costs of reproduction, subject to limitations permitted by applicable law, you will receive all documents relating to your performance, as well as those relating to any grievances concerning you.

While you are free, of course, to review certain records in your personnel file, you must do so on your own time.

12sd may, in its sole discretion, destroy your personnel records 3 years after your employment with the Company terminates.

12sd does not provide letters of recommendation, but will confirm dates of employment.

# CONFIDENTIALITY & NON-DISCLOSURE

## Company’s Information

Based upon your experience and relationship of trust with 12sd, and during the course of your employment with 12sd, you may be given access to and learn much or all of the Company’s trade secrets, as well as its proprietary and confidential information (collectively, “Confidential Information”). Confidential Information shall also include any other business information generally considered confidential in nature by similarly situated businesses. The proprietary value of the Company’s Confidential Information constitutes a special and unique asset to the Company. Consequently, Confidential Information may not be shared with a fellow employee who does not have a business need to know such Confidential Information and may *never* be shared with anyone who is not an employee of 12sd without the express written consent of asd.

Likewise, during the course and scope of your employment with 12sd, you may be privy to the confidential information of certain of the Company’s customers/clients (“Customer Confidential Information”). In fact, 12sd has signed “non-disclosure” agreements with some of its clients/customers regarding such Customer Confidential Information. You are only permitted to access and utilize the Customer Confidential Information solely in the performance of your job duties at 12sd. Any other access or use of such Customer Confidential Information is strictly prohibited.

Unless you receive written permission from asd, you are not permitted to keep or maintain any of the Company’s Confidential Information or Customer Confidential Information on any device, or in any storage medium (including email addresses), that does not belong to 12sd.

## Your Information

12sd has strict policies in place to protect your personal information (e.g., address, phone numbers, social security number, selected medical information, compensation, banking information, driver’s license number, etc.) from accidental or wrongful disclosure. If you have any questions or concerns about how 12sd is storing your personal information, please speak with asd.

# INTELLECTUAL PROPERTY / WORK FOR HIRE

All common law and statutory trademarks, service marks, logos, trade dress, or trade names, as well as all copyrightable material, including writings, software, drawings, masters, raw files, photographs, and video footage, designs, and all ideas, patents, inventions, improvements, developments and discoveries made, conceived, or reduced to practice by 12sd or you, whether individually or in collaboration with others (collectively, the “Intellectual Property”), during the course of performance of your employment with 12sd, whether relating to work performed at the Company’s offices or elsewhere when performing services on behalf of 12sd, or when utilizing any of the Company’s resources, shall be deemed (and are) the sole property of the Company. The foregoing statement shall apply to any such Intellectual Property related in any way, at the time of conception or reduction to practice of the invention, to the Company’s business, or the Company’s actual or demonstrably anticipated research or development.

This policy does not apply to any Intellectual Property created by you for which *none* of the Company’s equipment, supplies, facilities, Confidential Information, or trade secrets were used, *and*: (i) was developed entirely on your own time and utilizing your own resources, equipment, or tools; and (ii) does not result from any work performed by you for 12sd. This policy is intended to comply with Labor Code section 2870 while offering the Company the maximum protection afforded by the law.

# NON-INTERFERENCE / NON-CIRCUMVENTION

During your employment with 12sd, and other than in the performance of your job with the Company, you may not directly or indirectly perform any services, paid or otherwise, for any of the Company’s clients/customers, nor for any of the Company’s competitors.

# RESERVED

# HEALTH & SAFETY

## General

12sd takes its obligation to create a safe and hospitable work environment for you very seriously. You also have an important role to play in keeping yourself and your fellow employees safe. The most effective ways you can do that are to: (i) follow all the safety procedures communicated to you (and not just those that may be posted near your work space or included in this Handbook, but also those provided to you by your supervisor(s), if any); (ii) use your common sense at all times; and (iii) inform asd if you notice a dangerous condition, or you know that other employees are needlessly putting themselves or others at risk.

If you reasonably believe that you require any safety equipment or training to safely perform your job functions that have not already been made available to you, please inform asd.

asd will notify you if further safety-related precautions need to be taken, including maintaining your hair in a certain manner or wearing/avoiding specific types of clothing (e.g., requiring long pants, prohibiting open-toed shoes, avoiding clothing or jewelry that could interfere with equipment or become tangled in moving parts, etc.).

## Vehicles

In the event that you ever need to drive a vehicle to perform any of your job functions, regardless of whether the vehicle in question is owned, leased, or borrowed by you or 12sd, you must abide by the Company’s Vehicle Use Agreement, a copy of which you’ll be provided concurrently with this Handbook. You must always make sure that you: (i) are in possession of a valid California driver’s license; (ii) obey all applicable traffic and safety laws; and (iii) properly secure any equipment/tools you might be transporting.

Within 2 days of your citation, arrest, plea, or conviction for reckless driving, driving under the influence, driving while intoxicated, or a wet reckless infraction, you must inform asd. Likewise, you should provide the same 2 days’ notice after receiving a 3rd point on your driving record within any given 18-month period.

## Reporting

Despite 12sd’s best efforts, accidents and injuries are always a possibility. Please, therefore, be careful and take whatever reasonable precautions you need to take under the circumstances to keep yourself and other employees safe. If you are ever injured while performing any of your job duties, or if you witness the injury of a fellow employee, you must immediately seek medical treatment for yourself (or urge your fellow employee to do so), and once the emergency has been addressed, you must then notify asd of the details surrounding the injury.

# COMPUTER, ELECTRONIC, and COMMUNICATIONS SYSTEMS

## General

While employed by 12sd, you may be given access to 1 or more items making up the Company’s electronic systems. These items could include, without limitation, the Company’s computers, iPads, tablet devices, networks, Wi-Fi, computer components, software, e-mail, online services, copiers, fax machines, telephones (including mobile/smart phones), voice mail, and messenger services (collectively, “Electronic Equipment”). Not only shall such systems/equipment remain the Company’s sole property, but so shall any data or messages sent or received through the Company’s Electronic Equipment.

12sd requires you at all times to conduct yourself ethically when utilizing its Electronic Equipment, especially the Internet, which will be discussed more specifically below. For example, you must always disclose your name and your affiliation with 12sd whenever you are communicating online on behalf of the Company, and you should only communicate online on behalf of 12sd when you have been authorized to do so in the performance of your job duties. Company policy prohibits you from ever engaging in any conduct designed to mislead anyone else while you are online.

In fact, you may never use any of the Company’s Electronic Equipment to: (i) send, receive, display, print, or otherwise disseminate the Company’s Confidential Information to anyone not authorized to receive such information; (ii) transmit, store, or distribute commercial or personal advertisements, solicitations, promotions, destructive programs (e.g., viruses or self-replicating codes), or political material; (iii) send, receive, display, print, or otherwise distribute material that is fraudulent, harassing, sexually explicit, obscene, intimidating, or defamatory; (iv) violate any applicable federal or state laws, ordinances, or regulations; (v) violate any license governing the use of software; (vi) bypass, disable, or remove any security mechanisms applied by the Company’s network administrators or IT professionals; (vii) pretend to be someone other than who you are (e.g., by using another person’s email or somehow masking your true identity); (viii) give the appearance that you represent 12sd if you’re not authorized to do so; (ix) make it appear that 12sd endorses an outside organization or individual when it does not; (x) conduct any business not directly related to your job duties; (xi) allow a third party, whether another employee or an outsider, to use your accounts, network ID, or passwords; (xii) knowingly disable or overload any computer system or network, or circumvent any system intended to protect the privacy or security of another individual or entity; or (xiii) use your accounts on behalf of an outside organization not recognized or affiliated with 12sd.

**You should never consider your use of the Company’s Electronic Equipment to be private or confidential. That means that you should never have any expectation of privacy in anything you create, store, send, or receive on the Company’s Electronic Equipment (including the Company’s Wi-Fi), regardless of whether you deem the information to be personal or not. This includes your use of electronic devices that belong to you, such as your mobile phones or tablets.**

In fact, to the maximum extent permitted by law, and without any further notice to you, 12sd reserves the right to intercept, review, access, and search any of its Electronic Equipment at any time. 12sd further reserves the right, in its sole discretion, and for any reason without further notice to you, to intercept, review, erase, or monitor any data, content, or messages created, received, sent, or processed by, through, or within the Company’s Electronic Equipment (including its Wi-Fi). As part of this reservation of rights, 12sd also reserves the right, in its sole discretion, and subject to applicable law, to disclose selected contents of such data or messages without notice or restriction to you.

12sd may, from time to time, employ third parties to assist it with its monitoring and surveillance, including intrusion detection or white-hat penetration.

All policies applied generally at 12sd should, when context permits, expressly apply to the digital world. This means that you must be careful to consider other policies referenced in this Handbook in conjunction with your participation in the digital world, such as email. For example, if you were to use your email while at work to send what might otherwise be a legitimate work-related email, but then include an offensive joke, such an email might run afoul of the Company’s anti-harassment policies, which are located elsewhere in this Handbook. Or, if you were to send an email to an outsider that included Confidential Information of the Company, or other trade secrets that the third party had no legitimate reason to see, that email would violate the Company’s confidentiality requirements.

## Computers/iPads/Tablets

Because you are required to always use the Company’s computer/iPad resources in a professional, ethical, and lawful manner, and in a manner aimed at protecting 12sd, you may never: (i) send, receive, display, print, or otherwise disseminate the Company’s Confidential Information to anyone not authorized to receive such information; (ii) transmit, store, or distribute commercial or personal advertisements, solicitations, promotions, destructive programs (e.g., viruses or malware), or political material; (iii) send, receive, display, print, or otherwise distribute material that is fraudulent, harassing, sexually explicit, obscene, intimidating, or defamatory; (iv) violate any applicable federal or state laws, ordinances, or regulations; (v) violate any license governing the use of software; (vi) bypass, disable, or remove any security mechanisms applied by the Company’s network administrators or IT professionals; (vii) pretend to be someone other than who you are (e.g., by using another person’s email or somehow masking your true identity); (viii) give the appearance that you represent 12sd if you’re not authorized to do so; (ix) make it appear that 12sd endorses an outside organization or individual when it does not; (x) conduct any business not directly related to your job duties; (xi) allow a third party, whether another employee or an outsider, to use your accounts, network ID, or passwords; or (xii) use your accounts on behalf of an outside organization not recognized or affiliated with 12sd.

In addition to discipline by the Company, violations of this policy may result in civil or criminal liability to you.

## Electronic Mail/Communications

Because email has become the primary means of written communication in business, it is important for you to be informed regarding how the concepts of confidentiality, security, and privacy apply to email systems/accounts.

You are obligated to read, understand, and abide by the Electronic Mail Addendum attached to this Handbook as ***Exhibit “B.”***

## Internet

While the Internet is a tremendously valuable tool for 12sd, it can also cause a lot of damage, both to 12sd and others, if not used properly.

12sd does not use or align itself with any organizations or websites that deploy the use of excessive tracking software, adware, malware, or spyware. Such conduct, in fact, may be illegal and will not be tolerated.

Unless directly related to your job duties at 12sd, you may not use the Company’s Internet Service Provider (or access the Company’s Wi-Fi, LAN, or other means of connecting to the Internet) to access or download any sexually explicit material or visit any websites where the principal content of the material is sexually oriented.

You are prohibited from using the Company’s Electronic Equipment where you have reason to believe that the information being accessed may be defamatory, illegal, or obscene, nor should you transmit any defamatory, illegal, or obscene material while using any of the Company’s Electronic Equipment.

In addition to the foregoing, you may not use any of the Company’s Electronic Equipment to infringe on another person’s/entity’s intellectual property rights (e.g., copyrights or trademarks). If you’re ever uncertain whether or not you can download or upload something to the Company’s Electronic Equipment, you should first discuss the matter with asd.

In the Company’s sole discretion, and whether or not you have authorization, your use of the Internet, if accessed on the Company’s network(s), may be monitored or audited by those in supervisory authority at 12sd. You should have no expectation that any information transmitted over any of the Company’s Electronic Equipment or facilities, or stored on computers or drives owned by 12sd, is or will remain private. This applies to business-related communications, as well as personal communications. Any use, personal or otherwise, that you might make of the Company’s Electronic Equipment is based on the express understanding that 12sd reserves the right to review your specific use of, and to inspect all material created by or stored on, such systems.

## Reporting

You must report all suspected and known violations of the Company’s Electronic Equipment policies to asd on a timely basis so 12sd can protect itself and others from harm. This obligation includes your reporting any suspected malicious conduct. You may make such reports confidentially if you wish to.

# ATTIRE

# HARASSMENT

## Generally

12sd operates under the general policy that the workplace is for work. 12sd seeks to provide a workplace free from tensions involving matters that do not relate to the Company’s business operations. Racial, sexual, gender, or religious discrimination and remarks/slurs, as well as animosity, unwelcome sexual advances, intimidation, threats, or requests for sexual favors do not belong in the workplace and will not be tolerated.

You are prohibited from harassing other employees of 12sd. While harassment can take many forms, it generally revolves around another person’s sex, race, color, religion, national origin, age, disability, or sexual orientation. Harassment can be verbal or it can be physical. In either case, however, such harassment is strictly prohibited and will not be tolerated at 12sd.

Sexual harassment is of particular importance because of how subtle it can often be. Sexual harassment, which includes unwelcome sexual advances and innuendo, requests for sexual favors, sexually motivated verbal or physical conduct or contact, and visual forms of harassment of a sexual nature, will not be tolerated.

In certain cases, such harassment is illegal, such as when submission to such conduct is either explicitly or implicitly made a term or condition of employment, is used as the basis for employment decisions, if such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance, or if such conduct creates an intimidating, hostile, or offensive work environment.

## Recourse

# DISABILITY ACCOMMODATIONS POLICY

12sd complies with the Americans with Disabilities Act, as amended by the ADA Amendments Act, the Fair Employment and Housing Act, and all applicable local fair employment practices laws. Consistent with the Company’s commitment to provide equal employment opportunities to its disabled employees, 12sd will provide you with a reasonable accommodation if the reasonable accommodation will permit you to perform the essential functions of your job unless providing such an accommodation would (or does) create an unreasonable hardship on 12sd. In no event will 12sd ever retaliate against you for a good faith request for an accommodation.

# DRUGS & ALCOHOL

## General

## Drugs

In addition, the use of, or being under the influence of, an otherwise legal (e.g., prescribed) drug is prohibited if such use prevents you from safely and reasonably performing your normal job functions or constitutes a danger to other individuals. If you are medically required to take a substance that has a reasonable chance of preventing you from safely or properly performing your normal job functions, you must discuss the matter with asd. If 12sd determines that your use of the prescribed drug does not pose any safety risk, or otherwise render you unable to properly perform your normal job duties, you will be permitted to work.

If your use of such a prescription drug is temporary and you would like to request an accommodation, please speak with asd to determine whether any such arrangement can reasonably be made.

You must notify asd in the event of your arrest, plea, or conviction for or under a criminal statute prohibiting the use, possession, or distribution of any drugs within 5 days after the arrest, plea, or conviction if: (i) it arises out of conduct that occurred in the workplace or while conducting business on behalf of 12sd; or (ii) your arrest occurred while you were operating a motor vehicle.

## Alcohol

In the event that your duties at 12sd ever require you to operate a vehicle on Company-related business (regardless of whether the vehicle belongs to you or the Company), you are required to notify the Company within 5 calendar days of your arrest, plea, or conviction for or under any statute related to driving under the influence of alcohol or driving while impaired/intoxicated. This policy includes any arrest, plea, or conviction related to a “wet reckless” infraction.

# DISCIPLINARY ACTION

Conduct that 12sd deems harmful to its business or its relationship with its clients or other employees is prohibited. Such prohibited conduct may include, but is certainly not limited to, the following:

• Failing to follow instructions of, or to perform work requested by, a supervisor or manager.

• Too many absences, whether such absences are excused or not, and that are not otherwise protected by law.

• Insubordination or lack of cooperation.

• Violating the Company’s safety rules and practices.

• Creating or contributing to unhealthful or unsanitary conditions on the Company’s premises.

• Abusing, wasting, or stealing the Company’s property or property belonging to someone else.

• Removing the Company’s property or records from its premises without written authorization when your job responsibilities do not typically include such removal.

• Falsifying reports or records, including employment applications, personnel records, timecards/timesheets, or reimbursement requests.

• Violating the law while performing your job duties for the Company, regardless of where such violations occur.

• Fighting or starting a disturbance on the Company’s premises or while performing job duties, including assaulting or intimidating another employee or non-employee.

• Unauthorized possession of firearms, weapons, or illegal/dangerous substances while on the Company’s premises or while performing your job duties for 12sd.

• Violating the policies and procedures set forth in this Handbook.

Engaging in any of the conduct described above may, in the Company’s sole discretion, result in your immediate termination. But keep in mind that 12sd may also terminate your employment even if you have *not* engaged in such conduct, or for any reason (or no reason) at all. This is what it means to be an “at-will” employee.

# AT-WILL EMPLOYMENT ONLY

In fact, being an at-will employee means that subject to applicable law, both you and 12sd have the absolute and unfettered right to terminate your employment at any time, with or without cause, and with or without notice.

That means that at all times during your employment with 12sd, you will be, and always shall remain, solely an at-will employee. No oral representation by anyone, including any of 12sd’s owners, managers, directors, supervisors, shareholders, officers, employees, or representatives, may be treated as an employment agreement, implied or otherwise. In fact, the only instance in which your status as an at-will employee can possibly change is if you enter into a written agreement with 12sd, signed by , that explicitly states that you are employed by 12sd for a specified period of time.

**BY ACCEPTING EMPLOYMENT WITH 12SD, YOU HAVE ACKNOWLEDGED THAT THE COMPANY HAS NOTIFIED YOU THAT: (i) YOU WILL BE AND SHALL REMAIN AN AT-WILL EMPLOYEE ABSENT A WRITTEN AGREEMENT TO THE CONTRARY SIGNED BY ; (ii) YOU MAY BE TERMINATED FOR ANY REASON AT ANY TIME; AND (iii) NOBODY AT 12SD HAS ENTERED INTO ANY AGREEMENT WITH YOU, ORAL OR WRITTEN, IMPLIED OR EXPLICIT, REGARDING ANY TERM OF EMPLOYMENT.**

# RETURN OF COMPANY PROPERTY

Upon termination of your employment with 12sd, whether voluntary or otherwise, or at any other time upon request by 12sd, you must promptly deliver to 12sd all documents, records, files, computer disks, and other information regarding or containing any of the Company’s Confidential Information, Customer Confidential Information, or Intellectual Property.

You must also immediately return any property 12sd issued to you, including but not limited to, the Company’s Electronic Equipment, keys, entry cards, FOBs, mobile phones, parking passes, and credit cards. Should you later discover any property or proprietary or Confidential Information belonging to 12sd in your possession after your departure from the Company, you must return such material promptly without retaining copies or excerpts of any kind.

# HONORING RIGHTS OF THIRD PARTIES

Before your 1st day of work at 12sd, you are obligated to inform asd if your compliance with any of the rules and procedures contained in this Handbook will constitute a breach on your part of any enforceable agreement between you and a third party (including a former employer of yours) to keep certain information confidential.

In such cases, you are prohibited from disclosing to anyone at 12sd, or inducing the Company to use, any confidential or proprietary information or material belonging to any previous employers or others. You are also prohibited from being a party to any other agreement that will interfere with your full compliance with the policies and procedures contained in this Handbook.

# OTHER NOTICES

By signing the acknowledgment form at the end of this Handbook, you are acknowledging that in addition to receiving a copy of this Handbook, you also concurrently received: (i) a worker’s compensation brochure; (ii) chiropractor and physician designation forms; (iii) sexual harassment pamphlets; and (iv) information on disability insurance rights and benefits. You are also acknowledging that you have verified for yourself that 12sd has prominently displayed at your work premises, the postings required by law (e.g., regarding issues like minimum wage, overtime, discrimination, etc.).

# POLICIES SUBJECT TO CHANGE

12sd continually reviews its personnel policies and employee benefits and reserves the right, in its sole discretion, to modify, supplement, amend, or delete any portion of this Handbook at any time—regardless of whether or not any specific section of this Handbook contains language reserving that right.

**ACKNOWLEDGEMENT OF RECEIPT BY EMPLOYEE:**

I acknowledge that I have received a copy of the Company’s Employee Handbook and that I have been encouraged to read it carefully. I also acknowledge that I’ll be expected to abide by the rules and procedures contained in the Handbook.

I further acknowledge my understanding that this Handbook is NOT a contract, either express or implied, between myself and 12sd. I acknowledge that I have been informed that 12sd may alter, eliminate, or add to the policies and procedures contained in this Handbook as it sees fit.

I acknowledge that no specific policy of this Handbook, or the totality of policies contained in the Handbook, is intended to modify my status as an at-will employee. Specifically, I am aware that the employment relationship may be terminated regardless of my compliance with the procedures and standards in this Handbook, my achievement of any particular level of job performance, or the absence of just cause for termination. This means that 12sd may terminate me for any (or no) reason, at any time, and without notice.

Dated:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Employee Signature]

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[Employee Printed Name]