



ADVANCED  
**RECOVERY**  
SYSTEMS

EMPLOYEE HANDBOOK  
Revised April 28, 2025

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## INTRODUCTION

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### **Welcome!**

You were selected to work for Advanced Recovery Systems (“ARS,” “us,” “we,” or the “Company”) due to your knowledge, experience, compassion, competency and value you bring to ARS. We are pleased to have you working with us.

This Employee Handbook (the “Employee Handbook” or “Handbook”), including any applicable state supplement, has been designed to serve as a reference for information relating to your employment with ARS. While this handbook refers to ARS, your employment is with Therapy Employee Associated Management, LLC, which is a wholly owned subsidiary of Advanced Recovery Systems, LLC<sup>1</sup>. Read this Employee Handbook carefully and keep it for future reference. Employees should review it with their supervisor in the event of questions.

The contents of this Handbook are guidelines only, and supersede any prior Handbook. ARS has the right, with or without notice, in an individual case or generally, to change and/or modify its interpretation of any of its guidelines, policies, practices, working conditions, or benefits at any time, unless otherwise restricted by applicable law. It is presented as a matter of information only. Nothing in this Handbook should be construed as a promise of specific treatment in any specific situation upon which any employee should rely. Additionally, some matters covered by this Handbook, such as benefits, are also described in separate official documents, and such official documents are always controlling over any statement made in this Handbook or by any supervisor or manager.

Employment with ARS is employment-at-will. Neither this Handbook nor any other Company document, policy or practice creates an employment contract, bargain, or agreement or confers any contractual right, either express or implied, to remain in ARS’s employ, nor does it guaranty any fixed terms and conditions for employment. Your employment is not for any specific time and may be terminated at will, with or without cause, reason and with or without prior notice by ARS. This at-will employment relationship exists regardless of any statements by office personnel to the contrary. Only ARS’s Chief Executive Officer or the Vice President of Human Resources is authorized to modify the at-will nature of the employment relationship, and the modification must be in writing.

Should you have any questions, please do not hesitate to speak directly to your supervisor or Human Resources representative. We are here to support you in your success with the ARS.

Welcome aboard. We look forward to a long and rewarding relationship.

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<sup>1</sup> There are limited exceptions to this such as for Washington State employees in order to comply with local laws.

## **I. Welcome**

### Mission Statement & Philosophy

**Mission Statement:** Advanced Recovery Systems recruits, develops, and retains a high performing and diverse workforce that seeks to maximize organizational and individual potential.

**Philosophy:** We believe all human beings have the capacity to accomplish personal growth through changes in habits, attitudes, and behaviors which have historically limited them from achieving their full potential. By providing a safe atmosphere, a nurturing treatment staff and program, we strive to help persons attain those goals which may have previously seemed impossible.

ARS uses the terms “patient” and “client” interchangeably to describe those provided services by ARS. This Handbook uses the term “patient” but the word “client” can be substituted in its place anywhere in this document.

## **II. Employment Relationship, Diversity and Inclusion**

### **Open Door Policy**

All employees have the opportunity to express ideas and opinions to management. If you have an idea to improve ARS, we welcome you making it known. ARS believes that open communication is essential to a successful work environment, as well as to a company’s success. All employees may express ideas and opinions directly to ARS management without fear of reprisal. If you would like to bring an idea or suggestion to ARS’s attention, you are always welcome to contact Human Resources at [HRHelpDesk@advancedrecovery.com](mailto:HRHelpDesk@advancedrecovery.com) or speak directly with your HR business partners.

ARS also realizes the importance of promptly resolving any difficulties, concerns, or matters that adversely affect an employee. The most satisfactory solution to a job-related problem or concern is usually reached through a prompt discussion with your manager, and employees are always welcome to discuss questions, problems, and job-related complaints with their managers. Therefore, if you have a problem or complaint, you may follow the procedures outlined below:

1. Discuss the problem or complaint with your manager. Generally, your manager should be able to resolve the problem.
2. Your manager will review the facts and circumstances of your issue. If, after a thorough discussion of the matter, you feel the problem has still not been resolved to your satisfaction, you may contact Human Resources.
3. Reports of discrimination, harassment and/or retaliation should be made in accordance with the Reporting Procedures set forth in the Discrimination, Harassment & Retaliation Prevention policy contained herein as well as any procedures set forth in any applicable state supplement.

Because ARS encourages open communication with its employees, we prohibit retaliation against any employee who brings a complaint or problem to ARS’s attention.

## **Statement on Unions**

ARS is proud of the direct and close working relationship that exists between our managers and our employees. We will strive to preserve this relationship because our ability to work together remains the best way to improve our working environment and resolve any issues that may arise. We want to support an environment where employees feel comfortable coming forward to discuss any concerns without feeling the need to seek out third-party intervention. For this reason, we believe that labor unions are unnecessary in our workplace.

All of our employees are free to raise problems, issues of concern, and suggestions internally. Communication is critical to ARS's success and to building good working relationships among our employees. We believe that outside organizations such as labor unions can interfere with direct communications and mutual efforts to resolve issues that may arise.

ARS recognizes that employees have the right under federal law to organize and join unions. The law also gives employees the right not to join unions and to refuse to sign cards authorizing a union to represent them. Before deciding whether or not to sign an authorization card, we hope that each employee will seriously consider the effect that a labor union contract could have on our working conditions and the positive relationships that exist among our employees.

This statement of our position regarding labor unions is provided for information only. It is not a rule, policy, or standard, the violation of which would subject employees to discipline.

## **Equal Opportunity Employment**

ARS is committed to hiring and developing the most qualified people. It is our policy to promote and assure equal opportunity employment for all current and prospective employees without regard to race, color, religion, ancestry, creed, sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), sexual orientation, national origin, age, disability, protected medical condition as defined by applicable state or local law, marital status, genetic information, citizenship status, military service or veteran status and any other basis protected by applicable federal, state, or local laws or ordinances. This policy applies to all terms, conditions and privileges of employment, including recruitment, hiring, placement, promotion, compensation, promotion, leave of absence, transfer benefits, discipline, termination, training opportunities, employee activities, access to facilitates and programs, and general treatment during employment.

Employees with questions or concerns about equal employment opportunities in the workplace may bring these issues to the attention of Human Resources. Reports of discrimination should be made in accordance with the Reporting Procedures set forth in the Discrimination, Harassment & Retaliation Prevention policy as well as any procedures set forth in any applicable state supplement. We will not allow any form of retaliation against employees who raise issues of equal employment opportunities in the workplace.

## **Valuing Diversity**

We recognize that our workforce and clientele are comprised of a diverse blend of people with different backgrounds and perspectives and we value and promote this diversity. Our dedication to diversity is focused on the following components:

- To create and maintain a healthy and productive work environment; and

- To ensure that employees are free to focus on their jobs without worry regarding differences, including those based on race, color, religion, ancestry, creed, sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), sexual orientation, national origin, age, disability, protected medical condition as defined by applicable state or local law, marital status, genetic information, citizenship status, military service or veteran status and any other basis protected by applicable federal, state, or local laws or ordinances.

Diversity offers an increased variety of viewpoints and perspectives, allows us the opportunity to better resolve problems, and contributes to our overall effectiveness as a company. Each manager is responsible for working to encourage awareness and respect for diversity within their departments.

### **Reasonable Accommodations & Interactive Dialogue Policy**

ARS is committed to complying with applicable federal, state and local laws governing reasonable accommodations of individuals, including but not limited to the *Americans with Disabilities Act* (“ADA”). To that end, we will endeavor to make a reasonable accommodation to applicants and employees who have requested an accommodation or where ARS has notice he or she may require such an accommodation, without regard to any protected classifications, related to an individual’s: (i) disability, meaning any physical, medical, mental, or psychological impairment, or a history or record of such impairment; (ii) sincerely held religious beliefs and practices; (iii) needs as a victim of domestic violence, sex offenses or stalking; (iv) needs related to pregnancy, childbirth or related medical conditions; and/or (v) any other reason required by applicable law, unless the accommodation would impose an undue hardship on the operation of our business.

Any individual who would like to request an accommodation based on any of the reasons set forth above should contact Human Resources. Accommodation requests can be made to Human Resources at [HRHelpDesk@advancedrecoverysystems.com](mailto:HRHelpDesk@advancedrecoverysystems.com). If an individual who has requested an accommodation has not received an initial response within five (5) business days, the individual should contact the Director of Human Resources.

After receiving a request for an accommodation or learning indirectly that an individual may require such an accommodation, ARS will engage in an interactive dialogue with the individual (even if an individual has not formally requested an accommodation). ARS’s initiation of the interactive dialogue serves as an invitation for the individual to request an accommodation only. The interactive dialogue may take place in person, by telephone, or by electronic means. ARS will explore potential accommodations but is not required to provide the specific accommodation sought by an individual, provided their alternatives are reasonable and either meet the specific needs of the individual or specifically address the individual’s limitations. As part of the interactive dialogue, ARS reserves the right to request supporting documentation, to the maximum extent permitted by applicable law.

ARS will endeavor to keep confidential all communications regarding requests for reasonable accommodations and all circumstances surrounding an individual’s underlying reason for needing an accommodation.

We will not allow any form of retaliation against individuals who have requested an accommodation, for who ARS has notice may require such an accommodation or who otherwise engage in the interactive dialogue process.

Individuals with questions regarding this policy should contact Human Resources.

### **Lactation Accommodation**

ARS will provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's child, to the extent required by and in accordance with applicable law. If possible and permitted by applicable law, the break time must run concurrently with rest and meal periods already provided to the employee. Break time that cannot run concurrently with rest and meal periods already provided to the employee will be unpaid, to the extent permitted by applicable law.

ARS will make reasonable efforts to provide an employee with use of a room or location in close proximity to the employee's work area, other than a bathroom, for the employee to express milk in private. This room or location may be the employee's private office, if applicable.

Employees will not be discriminated against or retaliated against for exercising their rights under this policy. Employees can contact Human Resources with questions regarding this policy.

### **Discrimination, Harassment & Retaliation Prevention**

ARS does not tolerate and prohibits discrimination or harassment of or against our job applicants, contractors, interns, volunteers, or employees by another employee, supervisor, vendor, customer, or any third party based on race, color, religion, national origin, ancestry, creed, sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), national origin, age, disability, protected medical condition as defined by applicable state or local law, marital status, sexual orientation, citizenship status, military service and veteran status, genetic information or any other status protected by applicable state or local laws and ordinances (referred to as "protected characteristics"). Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and is free from discriminatory practices and such harassment and discrimination will not be tolerated. ARS also prohibits retaliation as defined below.

ARS is committed to a workplace free of discrimination, harassment and retaliation. These behaviors are unacceptable in the workplace and in any work-related settings such as remote work settings, business trips and Company sponsored social functions, regardless of whether the conduct is engaged in by a supervisor, co-worker, client, customer, vendor or other third party. In addition to being a violation of this policy, discrimination, harassment or retaliation based on any protected characteristic as defined by applicable federal, state, or local laws and ordinances also is unlawful. For example, sexual harassment and retaliation against an individual because the individual filed a complaint of sexual harassment or because an individual aided, assisted or testified in an investigation or proceeding involving a complaint of sexual harassment as defined by applicable federal, state, or local laws and ordinances are unlawful.

**Discrimination Defined.** Discrimination under this policy generally means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.

**Harassment Defined.** Harassment generally is defined in this policy as unwelcome verbal, visual or physical conduct that denigrates or shows hostility or aversion towards an individual based on or because of any protected characteristic or has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays, text messages, social media posts or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.). Such conduct violates this policy, even if it does not rise to the level of a violation of applicable federal, state, or local laws and ordinances. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

**Sexual Harassment Defined.** Sexual harassment includes harassment on the basis of sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), and/or sexual orientation. Sexual harassment includes unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, and other verbal, visual or physical conduct of a sexual nature or which is directed at an individual because of that individual's sex or gender (including pregnancy, childbirth, related medical conditions and lactation), gender identity or gender expression (including transgender status), and/or sexual orientation when: (1) submission to the conduct or the advance or request is made a term or condition of employment; or (2) submission to or rejection of the conduct, or advance or request is used as a basis for employment decisions affecting the individual; or (3) the conduct or advance or request has the purpose or effect of unreasonably interfering with the employee's work performance or creating an intimidating, hostile, or offensive working environment. Examples of conduct that violates this policy include:

1. unwelcome flirtations, leering, whistling, touching, pinching, assault, brushing up against someone's body, blocking normal movement
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment
3. obscene or vulgar gestures, posters, or comments
4. sexual jokes or comments about a person's body, sexual prowess, or sexual deficiencies
5. propositions, or suggestive or insulting comments of a sexual nature
6. derogatory cartoons, posters, and drawings
7. sexually-explicit e-mails or voicemails
8. uninvited touching of a sexual nature
9. unwelcome sexually-related comments
10. comments, inquiries, or gossip about one's own or someone else's sex life or sexual activities
11. conduct or comments consistently targeted at only one gender, even if the content is not sexual
12. teasing or other conduct directed toward a person because of the person's gender

**Retaliation Defined.** Retaliation means adverse conduct taken because an individual reported a violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to: any action that would discourage or keep an individual from reporting discrimination, harassment or retaliation; shunning and avoiding an individual who reports discrimination, harassment or retaliation; express or implied threats or intimidation intended to prevent an individual from reporting discrimination, harassment or retaliation; and denying employment benefits because an applicant or employee reported discrimination, harassment or retaliation or participated in the reporting and investigation of discrimination, harassment or retaliation.

## **Reporting Procedure**

Any employee who has a complaint or knowledge of conduct prohibited under this policy, may raise it with their manager or Human Resources. If either of these individuals is the person toward whom the complaint is directed you should contact any higher level manager in your reporting chain. Written complaints can be submitted internally using the Human Resources Support Site at [HRHelpDesk@advancedrecovery.com](mailto:HRHelpDesk@advancedrecovery.com). Complaints may also be made to the Compliance Hotline, operated by a third party and which is available 24 hours a day, seven days a week at 1-844-850-2233 or via the website: [www.ars.ethicspoint.com](http://www.ars.ethicspoint.com). If the employee makes a complaint under this policy and the employee does not receive a follow-up call from Human Resources within 48 hours, the employee should then contact the Director of Human Resources immediately.

Your complaint should be as detailed as possible, including the names of individuals involved, the names of any witnesses, direct quotations when language is relevant, and any documentary evidence (notes, emails, pictures, cartoons, etc.).

**Supervisors or management representatives who receive a complaint or have knowledge of conduct in violation of this policy are required to immediately contact Human Resources, whether or not a formal complaint is filed.**

## **Investigation of Claims**

ARS's complaint procedure provides for an immediate, thorough, and objective investigation of any claim of a violation of this policy, appropriate disciplinary action against anyone found to have engaged in such conduct in violation of this policy.

Upon receipt of a claim of conduct in violation of this policy, ARS will promptly undertake or direct an effective, thorough, and objective investigation of the allegations. Claims of conduct in violation of this policy will be kept confidential by ARS except to the extent necessary to investigate the complaint and as required by laws. Employees are required to cooperate in all investigations conducted pursuant to this policy.

Once the investigation is completed, a determination regarding whether this policy has been violated will be made and communicated to the employee(s) who complained and to the accused harasser(s). If ARS determines that conduct in violation of this policy has occurred, ARS will take immediate and effective action commensurate with the circumstances, if ARS determines such measures are necessary. This may include disciplinary actions, up to and including termination of employment, training, or other appropriate measures to deter any future violations. Anyone, regardless of position or title, whom ARS determines has engaged in conduct that violates this policy will be subject to discipline, up to and including termination. This includes individuals engaging in discrimination, harassment or retaliation, as well as supervisors or managers who fail to report violations of this policy, or knowingly allow prohibited conduct to continue. Individuals who engage in conduct that rises to the level of a violation of law can be held personally liable for such conduct.

Remember, we cannot remedy claimed discrimination, harassment or retaliation unless you bring these claims to the attention of management. Please report any conduct which you believe violates this policy.

### III. Working at ARS

#### **Employment Classification**

ARS assigns positions, determines wages and compensates employees for overtime in accordance with state and local laws and the Fair Labor Standards Act. All employees are categorized as either “exempt” or “non-exempt.”

#### **Exempt Employees**

Exempt employees are those that are excluded from the overtime pay requirements of federal and state wage and hour laws. Exempt employees are generally paid a salary which is intended to cover all hours worked including any hours worked in excess of 40 in a workweek or overtime as otherwise defined by applicable state law. Employees should consult with their supervisor or Human Resources if they have questions regarding their classification as an exempt employee.

#### **Non-Exempt Employees**

Non-exempt Employees are those eligible for overtime pay of 1.5 times the regular hourly rate of pay for all hours worked over 40 hours per work week or as state law dictates. Employees should consult with their supervisor or HR if they have questions regarding their classification as a non-exempt employee.

Additionally, all employees fall within one of the following classifications:

- **Part Time:** Employees who are regularly scheduled to work fewer than 30 hours per week. Part-time employees are generally not eligible for most employee benefits. However eligibility is subject to the terms and conditions of the applicable plans/policies.
- **Full Time:** Employees who work 30 or more hours per week. Full time employees are generally eligible for benefits, subject to the terms and conditions of the applicable plans/policies.
- **PRN:** Employees who do not have a set schedule but work periodically on an as needed basis based on facility demand.
- **Temporary Status:** Employees who are either hired for a specific purpose or time period, which generally does not exceed six months. A temporary employee may work a full-time or part-time schedule.

#### **Work Performance Expectations**

ARS expects every employee to act in a professional manner. Satisfactory performance of job duties and responsibilities is key to this expectation. Employees should attempt to achieve their job objectives, and act with diligence and consideration at all times. Poor job performance can result in disciplinary action, up to and including termination.

#### **Employee Requested Promotions / Transfers**

Employees are encouraged to advance their careers with ARS. Promotion decisions regarding eligible employees are based on the employee’s qualifications and past performance as well as supervisor evaluations of employee’s potential ability. Generally, employees who have been in their current position for a minimum of three months and are in good standing in their current position (no counseling in the last six months) may apply for a position with more responsibilities or a transfer to another position, department or facility for which they are qualified; exceptions may be made.

All promotions and transfers are made without regard to status in any group protected by applicable federal, state, or local law. Please realize, however, ARS cannot guarantee promotions or transfers; there will be occasions when the best-qualified candidate comes from outside ARS. Moreover, ARS reserves the right to seek to fill open positions solely from external sources, to the maximum extent permitted by applicable law.

Employees may apply by logging into ADP and clicking on the Career Portal under Quick Links on the home page.

### **Performance Reviews**

ARS may periodically evaluate an employee's performance. The primary reason for performance reviews is to ensure that employees' perception of their work performance is consistent with how they are perceived by their supervisor and ARS in general. It is equally important to identify strengths and weaknesses, identify areas that need development, discuss any performance-related issues and evaluate how employees' work performance compares to their job description and position objectives. Performance reviews also offer a good opportunity to discuss career interests and identify ways of achieving work-related goals. ARS uses performance reviews as a tool to determine pay increases, promotions and/or terminations.

ARS has a variety of formal and informal performance evaluations. Most employees will receive an evaluation of their performance at least annually. Some positions require evaluation of competencies prior to providing independent patient care and a 90-day evaluation of performance. An employee who is exhibiting performance issues may be placed on a performance plan which requires additional review of the employee's performance. All performance reviews are based on merit, achievement and other factors may include but are not limited to:

- Quality of work
- Attitude
- Knowledge of work
- Job skills
- Attendance and punctuality
- ARS work and cooperation
- Compliance with Company policy
- Achievement of Goals
- Improvement
- Acceptance of responsibility and constructive feedback

A performance evaluation may be made at any time to advise employees of unacceptable performance. Evaluations or any subsequent change in employment status, position or pay does not alter the employee's at will-relationship with ARS.

Compensation changes generally will be reviewed annually as determined by management. Having compensation reviewed does not necessarily mean that employees will be given an increase, nor will a good performance evaluation guarantee a pay increase, nor is it a promise of continued employment.

Forward any questions about performance expectation or evaluation to the supervisor conducting the evaluation.

## **Bonus Payments**

Employees may be granted a bonus payment based on their own and ARS's performance. Bonus payments and structure vary based on position, area of responsibility and level. A bonus is not considered earned unless an employee is an active employee in good standing at the time of bonus payout.

## **Personnel Records**

ARS maintains confidential personnel records on each employee. Portions of the personnel records are kept in the electronic HR portal called Employee Self Service or ESS. Employees will be provided with access to and copies of personnel files to the extent required and in accordance with applicable state law. Questions regarding access/copies should be directed to Human Resources.

It is important that personnel records accurately reflect each employee's personal information. Employees are expected to update any change in required license or certification, name, address, home phone number, home address, marital status, number of dependents (to the extent it impacts benefits or tax withholdings) or emergency contact information using the electronic HR portal using the ESS. An "out of date" emergency contact or an inability to reach an employee in a crisis may be extremely problematic.

## **Leaving ARS**

Employment with ARS is on an at-will basis and may be terminated voluntarily or involuntarily at any time.

## **Notice of Resignation**

ARS recognizes that personal situations may arise which require a voluntary termination of employment. Should this occur, ARS requests that the employee provide a minimum of two weeks' notice in writing. ARS may allow the employee to work the resignation period or may accept the resignation effective immediately. Unless otherwise required by law, the employee may not utilize any time off (Vacation, Sick, Personal) during the resignation period as the resignation period is to ensure a smooth transition of the employee's duties.

## **Return of Company Property**

All rights and privileges of employment with ARS terminate upon the date of separation. Terminating employees are required to return all Company property assigned to them, including computers, keys, access cards, software, manuals, documents, equipment and any other property belonging to ARS. Employees who fail to return Company property upon termination will be charged the replacement cost of the property. This cost will be deducted from any money owed to the employee including expense reimbursement, vacation payout and wages, to the maximum extent permitted by applicable law. If the property is subsequently returned in a timely manner, the cost will be refunded to the employee provided ARS has not incurred additional expenses recouping the items.

## **Final Paycheck**

Employees who separate employment with ARS will be given their final paycheck less any offsets within the time allowable by applicable law.

## **Exit Meeting**

ARS may request an exit meeting prior to the last day of employment for purposes of completing any necessary forms, retrieving Company property and discussing any continuation of benefits as appropriate. ARS will also ask for feedback on your employment with ARS to ensure that we are meeting our mission to provide patient centered care in an environment that empowers and aids

individuals on their path to recovery.

#### **IV. General Policies and Procedures**

##### **Standards of Conduct**

ARS expects its employees to adhere to a standard of professional conduct and integrity and perform their work diligently. This ensures that the work environment is safe, comfortable and productive. Accordingly, we all must abide by certain standards of conduct, based on common sense and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is necessary to adopt and enforce standards all can follow. The following actions are unacceptable and considered grounds for disciplinary action. This list is not comprehensive; rather, it is meant merely as an example of the types of conduct that this Company does not tolerate. ARS reserves the right to determine the severity and extent of any disciplinary action based on the circumstances of each case. These actions include, but are not limited to:

- Violation of the Discrimination, Harassment & Retaliation Prevention policy;
- Violation of the Communication and Computer Systems policy;
- Violation of the Drug and Alcohol-Free Workplace policy;
- Violation of the Confidential Information and/or Conflict of Interest policies;
- Willful or careless damage, destruction of Company property, equipment, devices or assets or possessions of another employee;
- Stealing, removing or defacing Company, client or co-workers' property;
- Falsification of employment records, employment information, licenses, certifications or other records;
- Violation of the Time Keeping Procedures policy;
- Falsification of any document or form that is required to be completed during the normal course of employment
- Theft or the deliberate or careless damage of any Company property, or the property of any employee, patient, patient or customer;
- Removing or borrowing Company property without prior authorization;
- Interfering with the work of other employees;
- Insubordination to a lawful management directive;
- Failing to adequately perform job responsibilities;
- Maliciously disparaging or defaming a supervisor, co-worker and/or a patient;
- Violation of the Punctuality and Attendance policy;
- Falsifying injury reports or reasons for leave;
- Breach of HIPAA, 42 C.F.R. Part 2 or other local, state or federal laws regarding patient privacy;
- Possessing unauthorized weapons on premises, unless such prohibition is otherwise restricted by applicable law;
- Subject to applicable law, engaging in criminal or violent conduct, whether or not related to job performance;
- Disregard for safety and security procedures;

- Sleeping on the job;
- Working overtime without prior authorization;
- Abandoning position and placing patient care in jeopardy;
- Failure to report arrest and/pr felony convictions, to the maximum extent permitted by applicable law; and
- Any other action or conduct that is inconsistent with Company policies, procedures, standards or expectations.

Obviously, not every type of misconduct can be listed. ARS reserves the right to impose discipline up to and including immediate discharge, whenever management deems it appropriate to do so.

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

### **Prohibition on Employee-Patient Relationships**

While a person is an active patient or receiving other forms of treatment, care or housing from ARS and for a period of two years after, Employees are **strictly prohibited** from engaging in the following actions:

- All types of sexual contact;
- Kissing;
- Touching “any sexualized body part”;
- Offering to provide drugs or other medical-related services in exchange for sex;
- Soliciting a date;
- Discussing the Employee’s sexual history, preferences or fantasies;
- Contacting a patient in person, by phone, through the mail, or electronically such as through e-mail, social media (Facebook, Twitter, LinkedIn, etc.), or text; or any other means;
- Contacting a patient or a patient’s immediate family member for a reason unrelated to Company business.

The above list of prohibited activity is not comprehensive, and Employees are expected to maintain strictly professional relationships with persons being treated by ARS. Any Employee found in violation of this section of the Handbook will be disciplined up to and including termination of employment.

### **Prohibition on Recordings and Photos**

ARS strictly prohibits audio and video recordings or photography of any type at any of the areas of the facilities. without permission from the Legal, Human Resources or Compliance Department which generally will only be granted for business needs and if all parties consent.

Any employee violating this policy will be subject to discipline, up to and including termination of employment. Any other person violating this policy may be immediately escorted from the property and all recordings or photos will be confiscated.

### **Punctuality & Attendance**

To maintain a safe and productive work environment, ARS expects you to report to work on a reliable and punctual basis and be ready to start work at your scheduled time. Absenteeism, early departures from work, and late arrivals burden your fellow employees and ARS.

### **Notification of Absence or Tardiness**

In the rare instances when you cannot avoid being late to work or are unable to work as scheduled, you should notify your supervisor as far in advance of your scheduled start time as possible. The required notice period depends on the shift timing:

- **For shifts starting between 3 PM and 12 AM:** You must notify your supervisor at least **4 hours** before the beginning of your scheduled start time.
- **For all other shifts:** You must notify your supervisor at least **2 hours** before the beginning of your scheduled start time.

This notification to your supervisor may first be via text message or voice message, however, you are to continue reaching out to your supervisor until you speak with them. Asking another employee, friend or relative to give this notice is improper and should be avoided except in case of extreme emergency.

Inform your manager of the expected duration of any absence. If you will be absent longer than you originally stated to your manager, you must let your manager know of the change each additional day that you are absent, even for the same reason. This will allow your manager time to arrange for someone else to cover your position until you are able to return to work.

If you are absent three (3) or more days for an illness or have a pattern of absence for medical reasons, you may be required to provide a doctor's note stating that you have been out for an illness but are now able to return to work, to the maximum extent permitted by applicable law. Failure to keep your manager appropriately informed and failure to follow attendance call out procedures may result in disciplinary action, up to and including termination of employment.

ARS will comply with applicable laws relating to time off from work, but it is your responsibility to provide sufficient information to enable ARS to determine your individual circumstances. Notify your manager of any change in your status as soon as possible.

### **Excessive Absenteeism or Tardiness**

Regular and reliable attendance and punctuality are considered an essential job function of each employee's position. Excessive absenteeism, early departures, tardiness, or falsified explanation for absence or tardiness may lead to disciplinary action, up to and including termination of employment. Employees who have three attendance occurrences in a 90-day period will be considered to have an "attendance pattern" and may be subject to discipline up to and including termination of employment.

In evaluating employee attendance and otherwise administering this policy, ARS does not consider absences/tardiness/early departures protected by applicable federal, state, or local law.

### **Unexcused Absence**

An employee is deemed on an unexcused absence when the employee is unavailable for work as assigned/scheduled and such time off was not scheduled/approved in advance as required by department notification procedure. A pattern of unexcused absences at any time during employment may lead to disciplinary action, including possible termination of employment.

## **Abandonment of Position**

If you fail to report for work without any notification to your manager for three consecutive workdays, you may be considered to have abandoned your employment in which case your resignation will be accepted.

## **Dress Code**

All Company's employees are expected to present a professional, businesslike image to patients, visitors, customers and the public. Acceptable personal appearance is an ongoing requirement of employment with ARS. Any questions about ARS's guidelines for grooming or attire should be discussed with the immediate supervisor as positions have different requirements. Each facility has a specific dress code, including a color scheme, that is designed to meet the needs of that facility.

However, some parts of the dress code remain the same throughout ARS. For example, all employees who interact regularly with patients cannot wear jewelry that hangs or dangles and many employees are required to wear closed-toed and back, non-skid shoes for safety reasons.

Any employee who does not meet the attire or grooming standards set by the employee's department may be subject to corrective action and may be asked to leave the premises to correct the situation (without pay, if applicable and permitted by applicable law). All staff must wear ARS identification badge at all times while at work.

For those employees working remotely, the standards set forth in this policy apply equally when working from home to the extent employees may participate in video conferencing.

Nothing in this policy or any related guideline is intended to discriminate against an employee's sincerely held religious beliefs or practices, disability, race or any other basis protected by applicable law. Employees who may need an accommodation based on a sincerely held religious belief or practice, disability, race or any other basis protected by applicable law can contact Human Resources.

## **Communication & Computer Systems**

ARS's communication and computer systems are the property of ARS intended for business purposes. This includes the computers, related hardware, software and networks as well as telephone, voice mail, e-mail and Internet systems. Any personal use must not interfere with performance or operations, must not result in added expenses to ARS and must not violate any Company policy or applicable law. Users have no legitimate expectation of privacy in regard to system usage.

Any and all telephone conversations or transmissions, e-mail or transmissions, or internet access or usage by an employee by any electronic device or system, including but not limited to the use of a computer, telephone, fax machine, scanner, copier, etc. may be subject to monitoring at any and all times and by any lawful means. To that end, ARS may access its communication and computer systems and obtain the communications and information within or transmitted through the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when ARS deems it appropriate to do so. Further, ARS may review Internet usage. The reasons for which ARS may obtain such access include, but are not limited to: maintaining the systems; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during an employee's absence.

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

ARS's policies including, but not limited to, those prohibiting harassment, in their entirety, apply to the use of ARS's communication and computer systems. Additionally, employees may not use ARS's communication and computer systems in violation of any law including, but not limited to, those related to copyrights and software piracy.

All employees, upon request, must inform management of any private access codes or passwords.

No employee may access, or attempt to obtain access to, another employee's communication or computer systems without appropriate authorization. Password sharing is strictly prohibited.

Employees may not install, duplicate, or remove software on ARS's computer systems without prior management approval. Personal computers and other electronic devices (cell phones, flash or thumb drives, etc.) may not be connected directly to ARS's computer systems without prior management approval.

Employees are prohibited from using personal e-mail accounts or text messaging applications to conduct Company business. Employees may not forward Company emails to a personal email address. Employees may not use any third party email or instant messaging accounts or services (such as GMail, AOL, Yahoo, etc.) for business purposes or any purpose on ARS's computer systems that are not ordinarily used in the performance of their job duties.

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

### **Conduct Outside Work**

In general, ARS does not seek to interfere with employees' off-duty activities. However, to the maximum extent permitted by applicable law, ARS will not tolerate off-duty conduct that negatively impacts an employee's individual work performance or the legitimate business interests of ARS, including its reputation. This means, for example, ARS prohibits any illegal or immoral conduct by an off-duty employee.

### **Conflicts of Interest**

Employees may not use their position, influence, knowledge of confidential information, including trade secrets, or ARS's assets for personal commercial gain, for the benefit of any competing company or organization, or for the benefit of any other third party except as may be required in performance of their duties as employees of ARS. Further, employees shall not maintain an outside business or financial interest, or engage in any outside business or financial activity, which conflicts with the interests of ARS or which interferes with the employee's ability to fully perform the employee's job responsibilities, unless such prohibition is restricted by applicable law.

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

## **Confidential Information**

Employees may learn confidential information, including trade secrets, about ARS. Confidential information are items of information relating to ARS, its services, products, clients/customers, suppliers, vendors, and business partners that are not generally known or available to the general public, but have been developed, compiled or acquired by ARS at its great effort and expense. Confidential information includes, but is not limited to: business model, training materials, methods, operations, business development strategies, plans for future business, marketing initiatives, finances, and revenues. Each employee must safeguard confidential Company information. Confidential information may not be disclosed or distributed to any individual or entity, or used for the benefit of any individual or entity other than ARS, without corporate approval.

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

Employees may be required to sign agreements further detailing these obligations as a condition of employment and/or continued employment with ARS.

## **Confidentiality of Individually Identifiable Personal Information**

Any individually identifiable health or personal information including, but not limited to information regarding physical, mental or clinical conditions, prescriptions, treatment, or payment program, social security numbers, financial account numbers, state identification numbers, and certain other personal affairs or information of patients, customers, members of ARS's workforce and their families ("Confidential Personal Information") is strictly confidential and is to be accessed, used, processed, disclosed, modified, or deleted only as authorized and in the course of completing your assigned responsibilities for ARS. Any such activity shall be conducted in accordance with all applicable state and Federal regulations, including, but not limited to the Health Insurance Portability and Accountability Act ("HIPAA") of 1996, if applicable, ARS's HIPAA Privacy Policies and Procedures.

All members of ARS's workforce are responsible for protecting the privacy and security of Confidential Personal Information (in any form including oral, written or electronic) that is obtained, handled, learned, heard or viewed in the course of their work or association with ARS in accordance with its Information Privacy and Security Program. For example, discussions regarding Confidential Personal Information should not take place in the presence of persons not entitled to such information or in public places (elevators, lobbies, cafeterias, off premises, etc.). Participation in and compliance with our Information Privacy and Security Program is a condition of employment and is a factor that will be considered in every employee's performance evaluation. Failure to comply with the Information Privacy and Security Program may subject the workforce member to disciplinary action up to an including termination of employment or relationship with ARS.

Workforce members who have access to Confidential Personal Information will be required to execute a Confidentiality Statement , as a condition of employment.

All workforce members who become aware of a possible breach of the security or confidentiality of Confidential Personal Information are required to immediately notify ARS's Chief Compliance Officer at (954) 317-1321 or via the Compliance Hotline, operated by a third party and which is available 24 hours a day, seven days a week at 1-844-850-2233 or via the website: [www.ars.ethicspoint.com](http://www.ars.ethicspoint.com) . This notification can be done anonymously. No adverse action will be taken against the member who makes such a report in good faith and is not involved in the practice at issue.

## **Corrective Action and Disciplinary Procedures**

Corrective or disciplinary actions are any one of a number of options used to assist employees in correcting unacceptable behavior or actions. These actions may take the form of oral warnings, written warnings, probation, suspension, demotion, termination, removal or some other disciplinary action. These actions may occur singularly or in any order. The course of action will be determined by ARS at its sole discretion as it deems appropriate.

## **V. Work Hours and Compensation**

### **Work Schedules**

Our normal workweek consists of 40 hours in a five-day workweek. Actual schedules may vary depending upon department, position and location.

Supervisors will inform employees of their scheduled hours as well as any meal and/or rest periods.

### **Timekeeping Procedures for Exempt Employees**

Exempt employees are required to report full and half days of absence from work for reasons such as leave of absence, sick time, vacation, or personal business utilizing the ADP system.

### **Timekeeping Procedures for Non-exempt Employees**

At ARS, we maintain time records for all non-exempt employees so we will have accurate records of time worked. Each non-exempt employee is responsible for accurately reporting their time worked. The time clock system is used to record when the time worked begins and ends, as well as the beginning and ending time of each meal period or other extended breaks. Non-exempt employees must also record any departure from work for non-work-related reasons.

Although a non-exempt employee may arrive at work before the start of their schedule, the employee should not clock in or begin working until their official start time, unless previously authorized by the supervisor.

Since employee time records are vital for payroll purposes, employees must inform management if they fail or otherwise forget to record their time in or out before or after any working time. Failure to properly record time may result in discipline, up to and including discharge.

Altering, falsifying, and tampering with time records, or recording time on another employee's time record is prohibited and subject to disciplinary action, up to and including termination of employment.

### **Timesheet Verification**

Time sheets for non-exempt employees need to be verified and approved by the employee and their supervisor by 10:00 a.m. EST the Monday following the end of the pay period. If Monday is a holiday and the offices are closed, timesheets need to be verified by the employee before they leave the workday prior to the holiday and by the supervisor before 9:00 a.m. on Tuesday.

### **Working Off the Clock**

Non-exempt employees are prohibited from "working off the clock." "Off-the-clock" work is time spent by an employee performing work that is not reported to ARS as time worked. Employees need to be careful in their use of their personal electronic devices to perform work during non-working time. To assist in preventing this, non-exempt employees are prohibited from loading, reading or responding to Company email on their personal electronic devices.

### **Biometric Timeclocks**

ARS utilizes biometric timeclocks to ensure accuracy of time records. Employee fingerprints are captured for the sole purpose of recording time punches for timesheet recording. The information is maintained by ARS's third-party timekeeping system. ARS and its vendor do not keep or maintain this fingerprint information for any purpose other than timeclock identification and does not maintain the information once the employee has been removed from the timeclock system.

### **Meal and Rest Periods**

Employees are provided with meal and/or rest periods to the extent required and in accordance with applicable law. In general, and unless otherwise required by applicable law, employees are provided with a thirty (30) minute meal period. This meal period is unpaid, unless otherwise required by applicable law and employees are not permitted to work when they are not clocked in. If an Employee finds that they are needed to work during their meal period, they should clock back in to complete the work, then clock out again to complete their meal period.

### **Meal Period Automatic Deduction**

Hourly employees who are scheduled to work 5 or more hours automatically have a 30- minute meal period deducted on their timesheet. This method should only be relied on when the employee forgets to clock in and out for their meal.

If the employee is unable to take this break, the employee needs to notify their supervisor within the same pay period so the lack of break can be verified and the supervisor can remove the automatic deduction from the timesheet. The employee will then be paid for the time worked.

Employees who do not notify their supervisor that the meal period was not taken within 24 hours of the end of the pay period are agreeing that they have taken the unpaid break time and will not be paid for the time later. Employees who frequently do not clock in and out for their 30-minute meal break may be disciplined, up to and including termination. Employees will be required to provide ARS with an affirmation each week confirming that break times were taken on each workday.

### **Overtime**

When operating requirements or other business needs cannot be met during regular working hours, you may be scheduled to work overtime. When possible, advance notification of these mandatory assignments will be provided. The opportunity to work overtime is at the discretion of management and is based on departmental needs. All overtime work must be authorized in advance by your manager. Although non-exempt employees will be paid for working unauthorized overtime, working overtime without prior authorization may result in disciplinary action, up to and including termination.

Non-exempt employees will be paid at the rate of one and one-half times (1½) the employee's regular rate for all hours worked in excess of 40 in one workweek or as otherwise required by state law. Overtime pay is calculated based on actual hours worked. Paid Time Off, holidays or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

Exempt employees are expected to work the necessary hours to complete their job responsibilities and are not eligible for overtime payments.

## **Payday**

For the purpose of payroll, the workweek begins at 12:00 a.m. Monday and ends at 11:59 pm on Sunday. Unless otherwise indicated by ARS, employees are paid every other Friday. If the pay date falls on a holiday, the payday will be moved to the closest business day before the holiday.

Paychecks include salary or wages earned less any mandatory or elected deductions. Mandatory deductions include Social Security, federal or state income tax, and other appropriate taxes. These required deductions include any court-ordered garnishments. Elected deductions are deductions authorized by the employee, and may include, for example, employee's portion of health, dental, or life insurance premiums and/or voluntary contributions to a 401(k) or pension plan, to the extent applicable. Employees may contact Human Resources to obtain the necessary authorization forms for requesting additional deductions from their paychecks.

Subject to applicable law, ARS reserves the right to charge a replacement fee for any lost paychecks. It is each employee's responsibility to record and verify the accuracy of time worked and paid leave. Any errors in your reported time should be reported immediately to your manager and Payroll, who will correct errors.

## **Pay Statements**

You can view your bi-weekly pay record by logging into the Employee Self Service website [here](#). If there is an error in your check, please report it immediately to your manager or Human Resources.

## **Direct Deposit**

Normal pay will generally be made in the form of direct deposit. For those employees who do not elect to be paid via direct deposit or until direct deposit is active, paychecks are distributed to individual employees unless they request that paychecks be mailed to their home address. Employees may also authorize, in writing, that another person has permission to accept their paycheck(s).

Employees may designate one or more bank accounts for automatic deposit of their paychecks. For example, a set amount may be directed into your savings account, with the remaining balance deposited into your checking account. All of the required enrollment and consent forms are available through ADP when completing the onboarding process. To make a change after the initial hire, log onto ESS. The employee's final paycheck may be issued as a live paycheck, at the discretion of the Human Resources Department.

## **Payroll Errors**

Every effort is made to keep accurate records and make timely payments to employees for payroll, but occasionally an error can be made. If ARS should make an error on your paycheck, report it immediately so that it can be corrected. If the error involves an underpayment, ARS will make the correction and issue the correct amount as soon as reasonably possible. If the error involves an overpayment, ARS will recoup the overpayment by cancelling and re-issuing a corrected check, reversing a direct deposit and re-issuing for the correct amount, deducting the payment from future earnings, accepting payment from the affected employee, or any other available means.

## **Salary Advances/Loans**

ARS does not give loans or advances on paychecks or against future earnings.

## **Safe Harbor Policy for Exempt Employees**

Exempt salaried employees receive a salary that is intended to compensate for all hours worked for ARS. This salary is established at the time of hire. While it may be subject to review and modification from time to time, such as during salary review times, the salary is a predetermined amount that is not subject to deductions for variations in the quantity or quality of work.

Under federal and state law, exempt salaried employees' salaries are subject to certain deductions. For example, absent contrary state law requirements, exempt salaried employees' salaries are subject to reduction for the following reasons:

- Full day absences for personal reasons;
- Full day absences for sickness or disability;
- Full day disciplinary suspensions for infractions of our written policies and procedures;
- Family and Medical Leave absences (either full or partial day absences);
- To offset amounts received as payment for jury and witness fees or military pay; or
- The first or last week of employment in the event of less than a full week worked.

Exempt salaried employees' salaries are also subject to reduction for their portion of health, dental, or life insurance premiums; state, federal, or local taxes; social security; or voluntary contributions to a 401(k) plan.

In any workweek in which exempt salaried employees perform any work, their salary is not subject to reduction for any of the following reasons:

- Partial day absences for personal reasons, sickness, or disability;
- Absence due to ARS's decision to close a facility on a scheduled work day;
- Absences for jury duty, attendance as a witness, or military leave in any week in which any work is performed; or
- Any other deductions prohibited by state or federal law.

However, subject to applicable state and local laws, it is not an improper deduction to reduce exempt salaried employees' accrued vacation, personal, or other forms of paid time off banks for full or partial day absences for personal reasons, sickness, or disability.

Employees who believe they have been subject to an improper deduction should report the matter to their supervisor immediately. If the supervisor is unavailable or is an inappropriate person to contact, or if a prompt and fully acceptable reply has not been received within five (5) business days, Human Resources should be contacted.

Every report of improper deductions will be fully investigated and corrective action, up to and including discharge, will be taken, as appropriate, for any employee(s) who violates this policy. In addition, ARS will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in ARS's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy may result in disciplinary action, up to and including discharge.

## **VI. Employee Benefits**

### **Retirement and Welfare Benefits Overview**

In addition to good working conditions and competitive pay, it is the company's policy to provide a comprehensive benefits package to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. Available benefits include a tax-qualified defined contribution (401(k)) retirement plan and, as of the date of this Handbook, the following welfare plans: medical, dental, vision, life, accidental death & dismemberment, short- and long-term disability (as described in more detail below), health and dependent care savings accounts, as well as other voluntary benefit plans. Employees who are scheduled and work at least 30 hours per week are eligible to participate in the welfare plans. All employees are eligible to participate in the 401(k) plan.

The specific provisions of these plans, including eligibility and benefits provisions, are summarized in each plan's summary plan description ("SPD"). The SPD can be found in the [BenePortal](http://myarsbenefits.com) (myarsbenefits.com). SPDs may be revised from time to time. Additionally, the official plan documents are available for review upon request. In the determination of benefits or other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including SPDs.

Further, ARS (including the officers and administrators who are responsible for administering the plans) and/or any designated plan or claims administrator retain full discretionary authority to interpret the terms of the plans as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit eligibility and entitlement.

While ARS intends to maintain these plans, it reserves the absolute right to modify, amend, or terminate these plans, and any benefits thereunder, at any time and for any reason, to the maximum extent permitted by applicable law. Any specific questions relating to employee benefits shall be directed to Human Resources at [HRHelpDesk@advancedrecoverysystems.com](mailto:HRHelpDesk@advancedrecoverysystems.com).

### **Workers' Compensation**

ARS provides workers' compensation benefits for the protection of employees with work-related injuries or illnesses to provide coverage to employees who receive job-related injuries or illnesses. Accidental injuries which occur during working hours or conditions caused by work activities are covered under our Workers' Compensation policy. This insurance provides for the payment of medical expenses and weekly compensation payments during the period of an employee's work-related injury or illness.

If an employee is injured or becomes ill as a result of the employee's job, it is the employee's responsibility to immediately notify a supervisor of their injury in order to receive benefits. Report every illness or injury to a supervisor, regardless of how minor it appears. All employee injuries must be reported to Human Resources immediately. Failure to report a work-related illness or injury promptly could result in denial of benefits. An employee's report should contain as many details as possible, including the date, time, description of the illness or injury, and the names of any witnesses.

An incident report is required for all employee related injuries or illness which occur while in the facility. ARS will advise the employee of the procedure for submitting a workers' compensation claim. If necessary, injured employees will be referred to a medical care facility. Employees should retain all paperwork provided to them by the medical facility. The incident report must be submitted to Human Resources.

A separate insurance company administers the worker's compensation insurance. Representatives of this company may contact injured employees regarding their benefits under the plan. Additional information regarding workers' compensation is available from the Human Resources Department.

Workers' compensation is solely a monetary benefit and not a leave of absence, unless otherwise provided by applicable law. For information regarding leaves of absence that may be available while receiving these benefits, please refer to the leaves of absence policies and/or contact Human Resources

### **Disability Benefits**

Some employees may be entitled to receive statutory short-term disability payments for non-occupational injuries or illnesses depending upon their work location and applicable law.

Additionally, full-time employees are eligible to elect voluntary short-term disability benefits for nonoccupational injuries or illnesses, with coverage effective the first day of the month following the month of their full-time status date. Short-term disability insurance pays a percentage of your covered weekly pay, up to a maximum weekly amount. Please refer to the Benefits Guide for further details. Any voluntary short-term disability benefits will be reconciled with any applicable statutory short-term disability benefits.

Full-time employees are also eligible to elect voluntary long-term disability benefits for non-occupational injuries or illnesses, with coverage effective the first day of the month following the month of their full-time status date. Please refer to the Benefit Guide for further details.

Short-term disability (both statutory and voluntary) and long-term disability are solely monetary benefits and not leaves of absence. For information regarding leaves of absence that may be available while receiving these benefits, please refer to the leaves of absence policies and/or contact Human Resources.

### **Holidays**

ARS currently recognizes seven national holidays.

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

When holidays fall or are celebrated on what otherwise would be a regular workday for the employee, all Full-Time employees will receive eight hours holiday pay, at their regular straight-time rate. If a full-time non-exempt employee also works on a company holiday, the employee will receive holiday pay plus be paid time-and-a-half at the employee's regular rate for hours worked, resulting in a payment of 2.5 times their regular base pay, unless otherwise required by applicable law. This includes payment for the holiday and time and a half for working on the holiday.

**PRN/Part-Time** employees are not eligible for the 8-hour holiday pay, however, if they work on ARS holiday, they will receive time and a half the employee’s regular rate for all hours worked, unless otherwise required by applicable law.

If an employee calls off on their last scheduled shift before the holiday, on the holiday, or their first scheduled shift after the holiday, they will forfeit holiday pay. A scheduled day off or an absence protected by applicable law will not affect holiday pay, only an unscheduled call off (not including an absence protected by applicable law) will result in the loss of holiday pay.

**Exempt employees** who are required to work on a company holiday should receive a comp day off within the next 30 days, and this should be coordinated with your immediate supervisor.

Paid holidays off are not counted as hours worked for purposes of calculating overtime.

**Paid Vacation Time**

Accrual

**Full-time employees** accrue paid vacation pro rata over the course of the year in accordance with the schedule below:

<u>Length of Service</u>	<u>Accrual Rate (Per Biweekly Period)</u>	<u>Max. Annual Accrual</u>
Hire Date – 35 months of service	3.08 hours	80 hours
36 – 83 months of service	3.70 hours	96 hours
7 or more years of service	4.62 hours	120 hours

Full-time Salaried exempt employees who are scheduled to work less than 40 hours each week will receive a prorated amount of the above accrual. Deviations may be made to the foregoing only upon separate written agreement between ARS and employee.

Full-time non-exempt employees accrue paid vacation based on their hours worked up to 40 hours per week. Hours that are included in the calculation of vacation accrual include Regular, Training hours and paid time off including Vacation, Personal and Sick time. Employees do not earn additional time for hours worked over 40 in any given work week or for overtime hours.

Vacation time for all eligible employees begins accruing at date of hire but cannot be used until after 90 days of employment with ARS.

**Vacation Request Procedure**

Employees are encouraged to take their accrued vacation each year. Request your vacation time as far in advance as possible, but at least two weeks in advance. Vacation time may be taken in half-day increments. We will make every effort to grant employees’ vacation preferences, consistent with our operating schedule and the staffing and coverage requirements of our business. Subject to the foregoing, preference typically will be given based on timing of the request and/or seniority for substantially simultaneous requests.

All Vacation requests must be approved by your manager and are to be submitted through the Employee

Self-Service portal. Further, we reserve the right to mandate the use of vacation time in certain instances, to the extent permitted by applicable law.

Vacations are paid at the employee's base rate of pay at the time of absence. Paid vacation time off is not counted as hours worked for purposes of calculating overtime.

### **Vacation Carryover**

Up to eighty (80) hours of accrued but unused vacation will carry over into the next calendar year, unless otherwise required by applicable law.

### **Vacation Payout**

Employees will not be paid for accrued but unused vacation upon separation, except where required by applicable law.

### **Personal Time**

All full-time employees receive 16 hours of Personal Time per year, granted on January 1. Employees hired or moved into an eligible position in the first quarter (through March 31) of a year will also be granted 16 hours of Personal Time for that calendar year. Employees hired or moved into an eligible position in the second quarter of the year (April 1 through June 30) will be granted 8 hours of Personal Time in their first calendar year. Employees hired July 1 or after will be granted Personal Time with the annual grant on January 1.

Personal Time may be used for a holiday ARS does not recognize or another special day for the employee, such as a birthday or anniversary. The time off must be scheduled in advance and approved by your supervisor.

Personal Time may not be used in the first 90 days of employment or eligibility. Personal Time does not carry over into the next calendar year and is not paid out on termination of employment, unless otherwise required by applicable law.

Personal Time is paid at the employee's base rate of pay at the time of absence. Paid personal time off is not counted as hours worked for purposes of calculating overtime.

### **Paid Sick and Safe Time (PSST)**

ARS provides paid accrued sick time to all eligible full-time employees for absence due to illness, injury or safety reasons. Full-time employees begin accruing sick time after 90 days of employment, unless otherwise required by applicable law.

Full-time exempt employees who regularly work 40 hours or more per week accrue 4 hours of paid PSST on the last day of each month, unless otherwise required by applicable law. Exempt employees who regularly work less than 40 hours per week will receive a prorated amount of PSST.

Full-time non-exempt employees accrue 2.31% of the hours worked in paid PSST, unless otherwise required by applicable law. This is equivalent to 48 hours for 12 months if 40 hours are worked weekly. Hours that are included in the calculation of PSST accrual include Regular, Training hours and paid time off such as Vacation, Personal and Sick time. Employees do not earn additional time

for hours worked over 40 in any given work week or for overtime hours, unless otherwise required by applicable law.

For purposes of this policy, the year is the consecutive 12-month period beginning January 1<sup>st</sup> and ending on December 31<sup>st</sup>.

PSST may be used in hourly increments, unless otherwise required by applicable law.

To provide a benefit for a long-term illness, unused PSST will accrue and carry over to the next calendar year up to a maximum of 160 hours (4 weeks), unless otherwise required by applicable law.

PSST may be taken only for an employee's own illness or injury or that of the employee's family member; for the employee's own well-care or that of a covered family member; parental leave; to obtain relief in response to domestic or sexual assault of the employee or a family member or other safety reasons; or for any other reason required by applicable paid sick/safe time/leave or similar law or ordinance.

For purposes of this policy, family member means a child, spouse, domestic/civil union partner, parent, sibling, grandchild, or grandparent of the employee or the employee's spouse or domestic/civil union partner, any other individual related by blood to the employee, any other individual whose close association with the employee is the equivalent of a family relationship, and any other relation required by applicable law. The family members listed above are not limited to biological family members but also include step, foster, adoptive, half relations and those who stand in loco parentis and legal guardians. PSST may not be used for other types of absences, such as to extend a vacation.

An employee's use of PSST will not be conditioned upon searching for or finding a replacement worker.

Unless the employee advises ARS otherwise, we will assume, subject to applicable law, that employees want to use available PSST for absences for reasons set forth above and employees will be paid for such absences to the extent they have PSST available.

If the need for the use of PSST is foreseeable, an employee must provide 7 days advance notice in writing, orally or electronically to employee's supervisor unless less notice is required by applicable law. Where the need is not foreseeable, employees should provide notice as early as practicable.

PSST may not be used during holidays, vacation, or hours outside an employee's regular work schedule, unless otherwise provided by applicable law. Your PSST benefits will be fully integrated with other benefits available to you so that at no time will you be paid more than your regular compensation. If PSST is misused, PSST pay will not be awarded, and you may be disciplined, up to and including termination of employment. Employees will not accrue PSST during unpaid leaves of absence.

PSST will be paid at the same rate as the employee earns from the employee's employment at the time the employee uses such time, unless otherwise required by applicable law, but no less than the applicable minimum wage. Use of PSST is not considered hours worked for purposes of calculating overtime.

An employee's unused PSST will accrue and carry over to the next calendar year up to a maximum

of 160 hours (4 weeks), unless otherwise required by applicable law.

Part time and temporary/contract employees do not accrue sick time, unless otherwise required by applicable law. Unused PSST is not paid out upon termination of employment.

Employees with questions regarding this policy should contact Human Resources.

*To the extent any applicable paid sick/safe time/leave or similar law or ordinance provides any greater rights than set forth in this policy, such provisions are incorporated by reference and/or addressed in a supplemental state policy for covered employees.*

### **Reassessment of Employee's Scheduled Hours of Work**

To ensure that employees are earning Paid Time Off appropriate to the number of hours worked each week, ARS will regularly evaluate the actual number of hours worked by employees and make adjustments as needed.

If an employee has been working more or less hours than the category they have been assigned, their status will be evaluated to determine if an adjustment is required for the following period. If the increase or decrease in hours worked is temporary, then the assignment to a level of Paid Time Off will not be adjusted. This may include scenarios such as a temporary staff shortage, an employee's leave of absence causing a change in hours, or similar scenarios. If, however, the change in hours worked is expected to continue, the employee will be adjusted into the appropriate level of Paid Time Off earnings. This will affect the level of ongoing earnings in Vacation, Sick Time and future grants of Personal Time. No adjustments will be made to prior Paid Time Off earnings, unless an employee was erroneously assigned to a plan.

## **VII. Leaves of Absence**

### **Bereavement**

Full-time employees may take up to three consecutive workdays off with pay immediately following the death of the employee's spouse, parent, step-parent, child, step-child, sister, brother, legal guardian, same-sex/domestic/civil-union partner, grandparent, grandchild, in-laws of the same relationship, other close relative who is a member of your household, or any other relation required by applicable law. Paid leave days may only be taken on regularly scheduled, consecutive workdays following the close-relative's death, unless otherwise required by applicable law. Employees must inform their supervisor prior to commencing bereavement leave. In administering this policy, ARS may require verification of death and relation to the deceased, to the extent permitted by applicable law.

Bereavement leave is paid at the employee's base rate of pay at the time of absence for the number of hours the employee otherwise would have worked that day. Bereavement leave is not counted as hours worked for purposes of calculating overtime.

Leave provided pursuant to this policy will run concurrently with any other applicable leave of absence for covered reasons, to the maximum extent permitted by applicable law. Contact Human Resources to receive approval for Bereavement Pay.

## **Jury Duty Time Off**

ARS encourages employees to serve on jury duty when called. You must notify your manager of the need for time off for jury duty as soon as a notice or summons from the court or a subpoena is received. If the required absence presents a serious conflict for management, employees may be asked to try to postpone jury duty. Employees must report to work for the major portion of the day if excused by the court unless such a requirement is restricted by applicable law. Employees also must provide verification of service.

Jury duty leave will be unpaid, unless otherwise required by applicable law. However, exempt employees are paid their full salary for any week in which they perform authorized work for ARS. Any pay provided for time spent on jury duty leave is not counted as hours worked for purposes of calculating overtime. Employees may elect to use any available vacation time during an otherwise unpaid jury duty leave. The substitution of paid time for unpaid leave time does not extend the length of leave and the paid time will run concurrently with any jury duty leave entitlement.

## **Voting Time Off**

Employees are encouraged to participate in elections. Nearly all municipalities offer extended voting and early voting to accommodate work schedules. If required, ARS will grant time off to cast a ballot in an election on election day on an unpaid basis when requested in advance, unless otherwise required by applicable law. Should extenuating circumstances arise while voting, notify a supervisor as soon as possible.

## **Military Leave**

Employees who are called into active military service or who enlist in the uniformed services are eligible to receive a military leave of absence in accordance with applicable federal and state laws. To be eligible for military leave, employees must provide management with advance notice of their service obligations, unless they are prevented from providing such notice due to military necessity or it is otherwise impossible or unreasonable to provide such notice. In such instances, an employee should provide notice as far in advance as is reasonable under the circumstances.

Employees who are required to attend yearly Reserves or National Guard duty can apply for a temporary military leave of absence not to exceed the number of days allowed by law (including travel). Such employees should give management as much advance notice of their need for military leave as possible so that we can maintain proper coverage.

Military leave will be unpaid, unless otherwise required by applicable law. Employees may elect to use any available paid time off during an otherwise unpaid military leave. The substitution of paid time for unpaid leave time does not extend the length of leave and the paid time will run concurrently with any military leave entitlement.

Employees whose absence does not exceed applicable statutory limitations will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws.

Please speak to Human Resources for additional information about Military Leave.

## **Family and Medical Leave Act Leave**

## **Eligibility Requirements**

Employees are eligible for FMLA if:

- At least fifty (50) or more employees are employed within a 75-mile radius of the employee's work site;
- The employee has been employed for at least one year; and
- The employee has worked at least 1,250 hours within the previous twelve (12) months.

## **Basic Leave Entitlement**

The FMLA requires covered employers to provide up to twelve (12) weeks of unpaid, job-protected leave in a 12-month period to eligible employees for certain family and medical reasons. The 12-month period is determined on a "rolling" 12-month period dating back from the time the employee uses any FMLA leave. Leave may be taken for any one, or for a combination, of the following reasons:

- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent (but not in-law) who has a serious health condition; and/or
- For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care or childbirth) that makes the employee unable to perform one or more of the essential functions of the employee's job.

Leave to care for the employee's child after birth, or placement for adoption or foster care must be taken within one (1) year of the child's birth or placement.

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (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. Other conditions may meet the definition of continuing treatment.

## **Military Family Leave**

Eligible employees with a spouse, son, daughter, or parent (but not in-law) on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement which permits eligible employees (spouse, son, daughter, parent (but not in-law) or next of kin of a covered service member) to take up to twenty-six (26) weeks of leave to care for a covered service member with a serious injury or illness during a single 12-month period (one time basis only). A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious

injury or illness. These individuals are referred to in this policy as “current members of the Armed Forces.” Covered servicemembers also includes a veteran who is discharged or released from military services under condition other than dishonorable at any time during the five year period preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as “covered veterans.”

The FMLA definitions of a “serious injury or illness” for current Armed Forces members and covered veterans are distinct from the FMLA definition of “serious health condition” applicable to FMLA leave to care for a covered family member.

### **Job Benefits and Protection**

If applicable, during FMLA leave, ARS must maintain health coverage under any “group health plan” on the same terms as if the employee had continued to work. If paid time off is substituted for unpaid leave, ARS will deduct the employee’s portion of any applicable health plan premium as a regular payroll deduction. If the employee’s leave is unpaid, the employee must make arrangements with Human Resources prior to taking leave to pay their portion of any applicable health insurance premiums each month.

ARS’s obligation to maintain health care coverage ceases if an employee’s premium payment is more than 30 days late. If an employee’s payment is more than 15 days late, ARS may send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date. If employees do not return to work at the end of the leave period (unless employees cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to reimburse ARS for the cost of the premiums ARS paid for maintaining coverage during their unpaid FMLA leave. For purposes of this paragraph, an employee will be considered to have returned to work if the employee returns to work for at least 30 calendar days, or the employee retires at the end of the FMLA leave period or within 30 days thereafter.

Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

The use of FMLA leave cannot result in the loss of any employment benefits that accrued prior to the start of an employee’s leave.

### **Use of Leave**

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt ARS’s operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

### **Substitution of Paid Leave for Unpaid Leave**

Employees must use accrued vacation, personal, and sick time (to the maximum extent permitted by applicable law) while on unpaid FMLA leave. The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leaves and the paid time will run concurrently with an employee’s FMLA entitlement.

Unless the employee advises ARS otherwise, we will assume, subject to applicable law, that employees

want to use available accrued vacation, PTO, personal, and sick time for absences to supplement any applicable paid disability, Workers' Compensation or other monetary benefits and employees will be paid for such absences to the extent they have accrued time available. Receipt of disability benefits, Workers' Compensation benefits or other monetary benefits does not extend the maximum amount of leave time to which an employee is eligible under the FMLA.

### **Employee Responsibilities**

Employees must provide thirty (30) days' advance notice of the need to take FMLA leave when the need is foreseeable. When thirty (30) days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with ARS's normal call-in procedures.

Employees must provide sufficient information for ARS 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 employee 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. Employees also must inform ARS if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees may also be required to provide medical certification and periodic recertification supporting the need for leave.

### **Employer Responsibilities**

Covered employers must inform employees requesting leave whether they are eligible under the FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for ineligibility.

Covered employers must inform employees if leave is designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

### **Unlawful Acts by Employers**

FMLA makes it unlawful for ARS to:

- Interfere with, restrain, or deny the exercise of any right provided under the FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

Concerns regarding a possible violation with respect to either of these obligations should be reported to ARS's Human Resources Department.

### **Enforcement**

Employees may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement, which provides greater family or medical leave rights.

### **Personal Leave of Absence**

Full-time employees who have been employed with ARS for a minimum of six (6) months and who are not eligible for any other leave of absence and/or have exhausted all other leave entitlements may request a Personal Leave of Absence. A Request for Personal Leave should be initiated through the Human Resources Support Site at [HRHelpDesk@advancedrecovery.com](mailto:HRHelpDesk@advancedrecovery.com). The employee will need to submit a completed form and receive approval before starting the leave. The request should be presented to Human Resources at least thirty (30) days before the requested start of the leave, except in cases of emergency. Requests are considered based on non-discriminatory factors including, but not limited to, staffing requirements and the reasons for the requested leave, as well as employees' performance and attendance records. This leave may be requested for medical reasons. If so, ARS generally will require submission of medical certifications prior to granting leave and may require additional periodic submission of medical certifications at various times during the leave. Normally, personal leaves of absence are granted for a period of up to up to 30 days. These time limitations do not apply to leaves taken for an employee's own medical reasons.

The employee must use all available time off (Vacation, Sick, Personal) (to the maximum extent permitted by applicable law and assuming the reason for the use is covered by the applicable sick time policy) while on unpaid leave of absence. The substitution of paid time for unpaid leave time does not extend the length of leave and the paid time will run concurrently with any personal leave granted. Receipt of disability benefits, Workers' Compensation benefits or other monetary benefits does not extend the length of any personal leave granted.

During a personal leave, employees will not accrue paid time off benefits or be paid for holidays. We will continue health insurance coverage during a personal leave if, to the extent paid time off is not substituted for unpaid leave, employees submit their share of the monthly premium payments to ARS in a timely manner, to the extent permitted and in accordance with the applicable plans.

When they anticipate returning to work, employees should notify management of their expected return date. Employees should notify management at least one (1) week before the expiration of leave.

Upon completion of a personal leave of absence, ARS will attempt to return employees to either their original job, or to a similar position, subject to prevailing business considerations. We note, however, that reinstatement is not guaranteed unless required by law.

Failure to advise management of availability to return to work, failure to return to work after notifying ARS of expected return to work, or remaining absent from work beyond the time approved by ARS is considered a voluntary resignation of employment unless otherwise prohibited by applicable law.

## **VIII. Health and Safety**

### **Workplace Safety**

ARS takes every reasonable precaution to ensure that employees have a safe working environment. Safety measures and rules are in place for the protection of all employees. Ultimately, it is the responsibility of each employee to help prevent accidents. To ensure the continuation of a safe workplace, all employees should review and understand all provisions of ARS's workplace safety policy. Employees should use all safety and protective equipment provided to them and maintain

work areas in a safe and orderly manner, free from hazardous conditions. Employees who observe an unsafe practice or condition should report it to a supervisor immediately.

Employees should recognize any potential fire hazards and be aware of fire escape routes and fire drills. Do not block fire exits, tamper with fire extinguishers or otherwise create fire hazards.

### **Drug and Alcohol-Free Workplace**

ARS maintains a Drug and Alcohol-Free Workplace Policy. The purpose of the Drug and Alcohol Free Workplace Policy is to (a) establish and maintain a safe, healthy working environment for all patients and employees; (b) to reduce the incidents of injury to persons or property; (c) to reduce absenteeism, tardiness and indifferent job performance; and (d) to provide an opportunity for rehabilitation for any employee who seeks ARS's help in overcoming any addiction to, dependence upon or problem with alcohol or drugs, prior to a positive test result.

The Drug-Free Workplace Act of 1988 requires Federal contractors like ARS and all Federal grantees to agree that they will provide drug-free workplaces as a condition of receiving a contract or grant from a Federal agency.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale, or distribution of controlled substances, drug paraphernalia, or alcohol by an individual anywhere on Company premises, while on Company business (whether or not on Company premises), while driving a Company vehicle or driving a personal vehicle for Company business, or while representing ARS, is strictly prohibited. Employees also are prohibited from reporting to work or working while they are using or under the influence of alcohol, any drugs as well as any controlled substances which may impact an employee's ability to perform the employee's job or otherwise pose safety concerns, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee to report to work. However, to the extent permitted by and in accordance with applicable law, this exception does not extend any right to report to work or perform work under the influence of medical marijuana or to treat the lawful use of medical marijuana as a defense to a policy violation or a positive drug test, to the extent you are subject to any drug testing requirement.

Notwithstanding the general prohibitions above, reasonable and responsible consumption of alcohol may be permitted at certain company-sponsored events and functions.

ARS conducts drug and alcohol testing as part of the pre-employment screening, post-accident, with reasonable suspicion and random, to the maximum extent permitted by applicable law. Refusal to submit to a drug or alcohol test or failure of the test will result in disciplinary action, up to and including termination of employment, unless otherwise required by applicable law.

Anyone violating ARS's Drug and Alcohol-Free Workplace Policy may be subject to disciplinary action, up to and including termination.

### **Employee Smoking Policy**

ARS supports non-smoking as a part of a healthy lifestyle. Employees are encouraged to stop smoking, vaping and using tobacco of any type. Smoking, including use of e-cigarettes, vaping devices and similar electronic devices, is prohibited at all times in all areas of our facilities, including private offices and company vehicles. If an employee chooses to smoke, they may

only smoke in the designated smoking area, if provided at that location.

Employees are strictly prohibited from smoking with patients at any time.

Employees who violate this policy may be subject to disciplinary action. Any disputes involving smoking and any employees with questions should discuss their issues/concerns with Human Resources. Employees will not be subject to retaliation for reporting violations of this policy in good faith.

## **Workplace Security**

We are strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and visitors and damage to Company and personal property.

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee will not be tolerated. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious, and/or destructive action undertaken for the purpose of domination or intimidation.

Weapons are prohibited on Company premises and in Company vehicles unless such prohibition is restricted by applicable law.

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

If an investigation confirms that a violation of this policy has occurred, ARS will take swift and appropriate corrective action.

Employees threatened by an outside party should follow the steps detailed in this section. It is important for us to be aware of any potential danger on our premises. Indeed, we want to take effective measures to protect everyone from the threat of a violent act by an employee or by anyone else.

Questions about this policy should be directed to management.

## **Driving for ARS**

Employees in a variety of positions may be asked or required to drive on behalf of ARS. Driving may be in the mode of transporting patients using company-owned vehicles, driving the employee's personal vehicle for business reasons or using a rented vehicle to drive for business or business travel. All employees who drive in any capacity for ARS are required to maintain a good driving record, obey all traffic laws, and follow the rules of the road.

Employees who drive for ARS will be required to have a review of their motor vehicle records prior to being approved to drive and annually thereafter. Any employee whose driving record does not meet ARS and ARS's insurance carrier's definition of being a clean driving record will be prohibited from driving for ARS. Employees who drive for ARS are required to notify ARS if they receive a moving violation or have an at fault accident, whether this occurs during work hours or not.

Employees are not permitted to talk on their cell phones, email, text or otherwise use cell phones or other devices when driving for ARS. Employees may make an emergency phone call using a Bluetooth or other Hands-free device when conditions are safe and the call is necessary.

## **Emergency Procedures**

ARS maintains a Comprehensive Emergency Management Plan ("CEMP") designed to minimize injury and loss of human life and company resources by training employees, procuring and maintaining necessary equipment, and assigning responsibilities. The CEMP applies to all emergencies that may reasonably be expected to occur at the facility.

In the event of an emergency, dial 911 immediately. All emergencies should be reported to the Risk Manager. If you hear a fire alarm or other emergency alert system, proceed quickly and calmly to the nearest exit. Once the building has been evacuated, only a supervisor may authorize employees to reenter.

## **State of Emergency Declared**

In the event that a state of emergency is declared, employees may be required to stay on sight during the state of emergency based on their position. This may include situations such as snow storms, ice storms, hurricanes, tropical storms, or any other government declared state of emergency, as well as an extraordinary company emergency as designated by the Vice President of Operations. As a part of their job responsibilities, designated employees are expected to work through the state of emergency. These employees will be relieved by other staff when it is safe and reasonable to do so.

Hourly employees will be compensated for time worked during the state of emergency at time and a half plus any overtime earned, or as otherwise required by applicable law. Exempt employees will be compensated with additional time off once the state of emergency has ended.

## **Visitors**

For safety and security reasons, employees are prohibited from having guests visit or accompany them anywhere in our treatment facilities other than the reception areas. Additionally, all visitors must be escorted on Company premises.

## **Inspections**

ARS reserves the right to require employees on either Company property or on a client's property to agree to the inspection of their person, personal possessions, property, a personal vehicle parked on Company or client property, and work areas, to the maximum extent permitted by applicable law. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases, and other personal possessions or places of concealment, as well as personal mail sent to ARS or to its clients. Searches of Company facilities and property, including Company property in the possession of the employee, may be conducted at any time and do not have to be based upon reason to believe Company policy is being violated. Employees are expected to cooperate in the conduct of any search or inspection. **Employees should have no expectation of privacy in any personal items brought into the workplace or in any Company work area or property used by the employee, whether or not locked with an employee or Company lock.**

## **Acknowledgement of Receipt for Employee Handbook**

I acknowledge that I have received a copy of the Employee Handbook, including any applicable state supplement. I understand that I am responsible for reading the information contained in the Handbook.

I understand that the handbook is intended to provide me with a general overview of ARS's policies and procedures. This document contains management guidelines only; it is not the final word in all cases. Individual circumstances may call for individual attention.

I understand that nothing in this handbook nor any other company guidelines, policies or practices creates an employment contract, bargain or agreement or confers any contractual rights whatsoever.

I acknowledge that I have received, read, and understand ARS's Discrimination, Harassment and Retaliation Prevention Policy, including any applicable State supplement. I understand that I am expected to abide by and be bound by the rules, provisions and standards set forth in ARS's policy. I further acknowledge that ARS reserves the right to revise, delete, and add to the provisions of the Discrimination, Harassment and Retaliation Prevention Policy at any time, to the maximum extent permitted by applicable law. *For California Employees:* I also acknowledge I have received the California Department of Civil Rights Sexual Harassment Factsheet (CRD-185).

I understand that my employment with ARS is at-will, regardless of the length of my employment or the granting of benefits of any kind. I have the right to resign at any time with or without notice, cause or reason, just as ARS may terminate my employment at any time with or without cause, reason or notice, subject to applicable laws. I understand that nothing in the handbook or in any oral or written statement alters the at-will relationship, except by written agreement signed by the employee and ARS's Chief Executive Officer or the Vice President of Human Resources.

I acknowledge that ARS may revise, suspend, revoke, terminate, change or remove, prospectively or retroactively, any of the policies or procedures outlined in this handbook or elsewhere, in whole or in part, with or without notice at any time, in an individual case or generally, at ARS's sole discretion, unless otherwise restricted by applicable law.

**I understand that my electronic signature below indicates that I have read and understand the above statements and that I have received a copy of ARS's Employee Handbook.**