



QUALDERM
PARTNERS

EMPLOYEE HANDBOOK

September 19, 2016

Table of Contents

<u>Section</u>	<u>Page</u>
<u>Welcome Letter to Employees</u>	1
<u>QualDerm Partners</u>	2
<u>Mission</u>	2
<u>Values</u>	3
<u>Operating Philosophy</u>	4
<u>Workplace Conduct and Employment Practices</u>	5
<u>Employment-at-will</u>	5
<u>Change in Policy</u>	5
<u>Open Door Policy</u>	5
<u>Employee Referral Bonus</u>	6
<u>Employment Status</u>	6
<u>Accommodation of Disabilities</u>	7
<u>Personnel Files</u>	7
<u>Employee References</u>	8
<u>Employment of Relatives, Roommates and Household Members</u>	8
<u>Separation from Employment</u>	9
<u>Exit Interviews</u>	9
<u>Return of Company Property</u>	9
<u>Working Through the Notice Period</u>	10
<u>Re-Employment</u>	10
<u>Payment for Unused PTO</u>	10
<u>Non-Solicitation of Clients and Patients</u>	10
<u>Guidelines for Appropriate Conduct</u>	12
<u>Performance Improvement</u>	13
<u>Performance Appraisal</u>	14
<u>Absenteeism and Tardiness</u>	14
<u>Outside Employment</u>	16
<u>Drug-Free Workplace Policy</u>	16
<u>Company-Sponsored Social Events</u>	16
<u>Tobacco-Free Workplace</u>	17

Romantic Relationships	17
Weapons	17
Hours and Compensation	18
Hours of Operation	18
Pay Practices	18
Employment Classification	18
Overtime for Non-Exempt Employees	18
Prohibited “Off the Clock” Work	19
Exempt Employee Reduction of Salary	19
Prohibited Reductions/Complaint Procedures	19
Mandatory Deductions from Paycheck	20
Error in Pay	20
Lactation Break	20
Workplace Expectations	21
Appearance and Attire	21
Employee Safety and Health	22
Customer Relations	22
Inclement Weather and Emergency Situations	23
Visitors in the Workplace	24
Children in the Workplace	24
Former Employees in the Workplace	24
Workplace Accidents and Workers’ Compensation Insurance	24
Use of Cell Phones While Driving	25
Communications	26
English in the Workplace	26
Prohibited Use of Recording Devices	26
Time Off/Leaves of Absence	27
Paid Time Off (PTO)	27
Employee PTO Use	28
Holiday Pay	28
Additional Guidelines	29
PTO Donation	29

<u>Insperty Online Services</u>	29
<u>Leaves of Absence</u>	30
<u>FMLA.....</u>	30
<u>Eligible Employee</u>	30
<u>Approved Reasons for Leave</u>	30
<u>Length of Family and Medical Leave and Qualifying Exigency Leave.....</u>	31
<u>Length of Military Caregiver Leave.....</u>	32
<u>Substitution of Paid Leave</u>	32
<u>Employee Notification Requirements</u>	32
<u>Medical Certification</u>	32
<u>“Qualifying Exigency” Leave Certification</u>	33
<u>Job Restoration.....</u>	33
<u>Worker’s Compensation and Family and Medical Leave</u>	33
<u>Questions about Family and Medical Leave.....</u>	33
<u>Continuation of Benefits</u>	33
<u>Personal Leave</u>	34
<u>Bereavement Leave.....</u>	34
<u>Military Leave.....</u>	34
<u>Leave Forms Available on the QDP Portal.....</u>	34
<u>North Carolina Specific Policies</u>	35
<u>School Activities Leave</u>	35
<u>Jury Duty and Witness Leave</u>	35
<u>Voting Leave.....</u>	35
<u>Tennessee Specific Policies</u>	36
<u>Jury Duty and Witness Leave</u>	36
<u>Rest and Meal Breaks for Nonexempt Employees.....</u>	36
<u>Voting Leave.....</u>	36
<u>Employee Handbook Acknowledgement Form</u>	37

Welcome

The true foundation of QualDerm Partners, LLC and its partnered practices (collectively, “QDP”) has always been the commitment to provide patients the highest quality and cost-effective access to medical services. As part of this commitment, QDP strives to ensure an ethical and compassionate approach to health care delivery. QDP must demonstrate consistently that we act with absolute integrity in the way we do our work.

QDP fundamentally believes that the general public, our patients, our customers, our third-party payers, and our fellow employees have the right to expect that QDP will act within a framework of honesty and integrity with a ‘do the right thing’ mentality.

The Employee Handbook is being provided to QDP and its partnered practices with the expectation that each employee will read, understand and adhere to these policies, and will assume responsibility for encouraging other employees to act in the same manner. If you have any questions regarding the Employee Handbook, or you encounter any situation in which you are unclear of the policies, you should discuss your question or concern with your immediate supervisor. If, after discussion with your immediate supervisor, you do not feel that your concern has been resolved, please consult your Regional Vice President or our Chief Operating Officer, Todd Falk, at 615-250-6727 or todd.falk@qualderm.com.

Please review, and become familiar with, the contents of the Employee Handbook. In closing, our patient population, as do we, trusts each of you as a valuable QDP Associate. QDP believes that our future depends not only on the skills, abilities and commitment of all employees and others working on our behalf, but also on our continued good judgment, self-discipline, common sense and integrity. We thank you for your contribution in making QDP an organization we can be proud of and that demonstrates the commitment to excellence to which QDP and its partnered practices adhere.

Bill Southwick
Chief Executive Officer



Our Mission

To establish, serve and extend a quality-driven dermatology network through partnering with physician leaders.

Our mission directs that we enable our providers, employees and all others with whom we work to meet the needs of our individual patients in our communities.

Our Company – QUALDERM PARTNERS

Since 2013, QualDerm Partners (QDP) has been a leading provider of outpatient dermatology and cosmetic care services to patients with skin diseases or disorders.

Our Practice Support Group is split between Brentwood, Tennessee and Winston-Salem, North Carolina, combining to operate our skin care centers throughout the United States. QDP is committed to establishing a very supportive relationship for its care centers by providing high levels of service to physicians, other medical providers, employees and patients.

QDP also operates a practice-based anatomic pathology laboratory located in Winston-Salem, North Carolina with diagnostic services provided by highly qualified dermatopathologists.

We believe we can become the premier provider of dermatology and cosmetic care services in the industry by providing the highest quality patient care; hiring, training, then empowering outstanding employees; and building relationships within the communities we serve.

To succeed, we will draw on our values; continuous operations and clinical service improvement; economies of scale we can develop through growth and affiliation with like-minded physicians and other medical providers of dermatology services; and maximizing the involvement and innovation of our stakeholders.

QDP Values

Exceptional Integrity:

We are authentic and credible. We approach those we serve and each other with humility and honesty. We are transparent, reliable and dependable.

True Partnership:

We focus on creating high functioning teams and, as management leaders, we respect the autonomy of our physician partners. We create value through shared culture, shared services and shared decision making.

Extraordinary Quality:

We set great expectations. Our patient-centric approach, strategies, and operations exemplify extraordinary quality. This differentiates us in a definable way as we provide a high-value patient experience.

Passionate Leaders:

We engage ourselves with energy and commitment. We focus ourselves with a clear and powerful strategic direction. Creating a culture of innovation, improvement and continuous learning, we are accountable to our patients, our partners and ourselves.

QDP Operating Philosophy

Our operating philosophy, which we've termed as *Practice-Centric*, will drive how we manage our business to provide the best care to the patients we serve.

By definition, *Practice-Centric* is a culture throughout QDP, aiming precisely at all aspects of the patient experience of care received at each of our operating centers, as delivered by our affiliated practices and supported by our staff.

Our energies will focus on adding value to the patient experience through our support for every QDP Center.

Our management team is committed to developing an operating framework that is characterized by trust, collaboration, empowerment, and transparency.

Decisions will be made within a framework that promotes implementation of best practices, compliance, and quality improvement initiatives while also allowing discretion and judgment of those who are providing patient care.

We believe that our patients are best served when those who provide their care are truly empowered.

Workplace Conduct and Employment Practices

Employment-at-Will

Your employment with QDP is at-will which means that you or QDP may terminate your employment at any time for any lawful reason unless a written employment agreement exists with QDP that provides otherwise. Your employment with Insperty is at-will regardless of whether you have a written employment agreement with QDP.

QDP has the right to transfer, demote, or otherwise discipline an employee at any time for any lawful reason. Insperty does not have the authority to change your at-will status with QDP, enter into any agreement for employment for any specified period or make any promises or commitments to the contrary. Likewise, QDP does not have the authority to change your at-will status with Insperty, enter into any agreements on behalf of Insperty for employment for any specified period or make any promises or commitments to the contrary. QDP however, maintains the ability to enter into employment agreements, independent of Insperty, which is not binding on Insperty and does not alter the at-will nature of your employment with Insperty.

This handbook is not a contract guaranteeing employment for any specific duration. As provided in the Handbook Acknowledgement, nothing in this handbook creates or is intended to create a promise or representation of continued employment. This handbook replaces any and all prior handbooks, written documents (with the exception of authorized employment agreements) or oral or implied representations that might otherwise contradict the at-will nature of your employment.

Change in Policy

The company may change, revoke or supplement the policies in this handbook at any time without notice. The company will determine the effective date of any changes and every effort will be made to notify you in advance. However, failure to give advance notice will not void any policy's application in the workplace.

Supervisors do not have the authority to change the policies in this handbook on their own. If you are uncertain about any policy or procedure, contact your supervisor for clarification.

Open Door Policy

The leadership of the Company is sincerely interested in implementing suggestions for improving operations. It is the policy of the Company that employees feel free to speak with any officer or manager of the Company at any time without fear of reprisal. Communication is a two-way street. QDP has an open-door policy whereby any employee can speak to any physician, executive, manager, or supervisor on any matter. Our leaders are dedicated to being available and attentively listening to employees. The bottom line is we cannot implement change if we are unaware of the need for change.

If an employee has a suggestion or concern about our operations or any issue in the workplace, the employee can contact his/her supervisor to make them aware of the concern. If an employee feels uncomfortable doing so, or the concern or issue involves the employee's immediate supervisor, then he/she may discuss the issue with any other Company manager whom he/she feels can assist him/her in resolving the issue, or the employee should contact the Chief Operating Officer.

Employee Referral Bonus

The Company believes that employees are a great source for employee referrals. To ensure that the Company maintains a high rate of referrals, the Company offers an Employee Referral Bonus program. The following qualifications must be met to be eligible for the bonus:

- The referring employee must be an active employee in good standing, not subject to any current disciplinary action, and must take steps to refer or recommend the applicant for employment.
- The Referral Bonus for a new employee will not be split among more than one referring employee.
- Hiring managers are not eligible for this Referral Bonus.
- Employees are not eligible to collect a Referral Bonus for referring their family members.
- The applicant must not be a rehire.
- The Referral Bonus will be paid once the new employee has worked continuously for 90 calendar days. The amount of the Referral Bonus is determined by the new employee's status on the 90th day of employment.
- The Referral Bonus is considered income and is subject to appropriate taxes and withholding.

The Employee Referral Bonus applies to all open positions. The amount of the bonus is \$250 for full-time and part-time employee referrals and \$50 for PRN and temporary employee referrals. The referral will expire after one year following the original date the candidate was referred.

The hiring supervisor should complete the Bonus Payment Request and submit it to the Payroll Manager for payment.

Employment Status

- **Regular Full-Time** employees are those who are not in a temporary status and who are regularly scheduled to work 30 hours or more per week. Regular full-time employees are eligible for QDP's benefit package, subject to the actual terms, conditions, and limitations of each benefit program's plan documents.
- **Part-Time** employees are those who are not assigned to a temporary status and who are regularly scheduled to work less than 29 hours per week. While they receive all legally mandated benefits (such as Social Security and Workers' Compensation Insurance), they may not be eligible for some or all of QDP's other benefit programs, subject to the actual terms, conditions, and limitations of each plan documents.
- **PRN** employees are those who work on an "as needed" basis. QDP offers this category in limited classifications and to a limited number of employees. Individuals participating in this program must sign an acknowledgement of their understanding that they are not eligible to participate in certain non-legally mandated benefit programs applicable only to regular employees. Service in this category will not be credited toward any non-legally mandated benefit program, even if the employee is later assigned to a benefit eligible category. A change to or from this category can be accomplished only with prior written authorization by the Departmental Director.

- **Temporary or Seasonal** employees are those who are hired as interim replacements, to temporarily supplement our work force, or to assist in the completion of a specific project. Employment assignments in this category can be either full or part-time and are of a limited duration, usually no more than six (6) months. Employment beyond any initially stated time period does not in any way imply a change in employment status. Temporary employees retain that status until notified of a change. While temporary employees receive all legally mandated benefits (such as Workers' Compensation Insurance and Social Security), they are not eligible for any of QDP's other benefit programs.
- **Independent Contractors** are individuals or entities who perform certain services for the Company on an "as needed" basis and who, among other things, exercise control over the services performed and the manner in which those services are performed. Independent Contractors are not employees of the Company, but are required to provide a W-9 form.

Accommodation of Disabilities

QDP is committed to making every reasonable effort to accommodate an employee's disability. An accommodation may be provided as long as the employee can perform the essential duties of the job, and it does not create an undue hardship for the company. A reasonable accommodation may include changes in the work environment or in the way a job is performed, so a person with a disability may enjoy equal employment opportunities.

Under this policy, if you are pregnant and request a reasonable accommodation for the duration of or any part of your pregnancy, we will explore all possible means of providing the reasonable accommodation including, but is not limited to, the following:

- More frequent or longer bathroom breaks;
- Breaks for increased water intake;
- Breaks for periodic rest;
- Seating;
- Assistance with manual labor;
- Light duty;
- Temporary transfer to a less strenuous or hazardous position;
- Acquisition or modification of equipment;
- Changing the employee's job duties;
- Changing the employee's work hours;
- Relocating the employee's work area; or

- Providing leave necessitated by pregnancy, childbirth, or medical or common conditions relating to pregnancy or childbirth.

Accommodations depend upon the employee's job qualifications and the specific facts and circumstances of each individual situation.

Please inform your supervisor if you require an accommodation, so the company can have an interactive discussion with you. Your supervisor will work with you to determine if there is a need for an adjustment or change at work to accommodate your disability.

Job Descriptions

The Company will provide a written job description to employees in the recruitment process. Job descriptions are an overall summary of expectations and responsibilities that are intended to provide organizational clarity regarding how the employee's job fits into the overall mission and goals of the organization. Supervisors should review the job description with the applicant to ensure that they are able to perform the essential functions listed in the job description, with or without a reasonable accommodation.

Job descriptions will be reviewed annually during the performance appraisal process.

A supervisor who desires to create a new position should provide their Manager or Director with a detailed list of the job responsibilities and knowledge, skills and abilities required to perform the job. The Practice Support Group will then assist the supervisor with creating a new job description and facilitate approval to recruit for the position. Supervisors requesting to make changes to job descriptions should submit the appropriate revisions to the Practice Support Group.

Personnel Files

QDP and Insperty both maintain a personnel file on each employee. Contact your supervisor to request a review of your company personnel file, or contact your Insperty payroll or human resource specialist to view your Insperty personnel file.

To ensure that your personnel file is up-to-date at all times, notify your supervisor or your payroll specialist of any changes in your name, telephone number, home address, withholding instructions, number of dependents, beneficiary designations, scholastic achievements, or the individuals to notify in case of an emergency. Additionally, complete and forward an Employee Change in Status Notice to your Insperty payroll specialist or update your file through the Employee Service CenterSM at esc.Insperty.com.

Internal Transfers / Promotions

While it is QDP's philosophy to promote from within whenever possible, there are business conditions that could cause a position to be filled without posting or that could cause a position to be posted while simultaneously recruiting from the outside. Such business conditions could include, but are not limited to: organizational restructuring; position requirements that include skills, education, and/or experience that are not known to match any existing employee; or critical operational needs.

QDP is committed to providing opportunities for employees to advance and develop their skills. The Company values and respects employees and strives to create opportunities within the organization to assist employees to develop their careers. Employees interested in applying for openings may apply through their Office Manager.

Employees may be considered for an internal opening if: 1) they have been in their current position for greater than six (6) months; 2) have demonstrated that they are qualified for the position; and 3) they are not subject to any current disciplinary action.

Employment References

You should refer all requests for employment verification, on current or former employees, to Insperty Employment Verifications at 800-242-8893, ext. 3796. Insperty will only release your last title and dates of employment, unless you have authorized in writing certain additional information to be provided.

Employment of Relatives, Roommates and Household Members

Employment of relatives, roommates and household members may be permitted by the Company, provided that the person meets the qualifications of the position and is not employed in a position that poses a potential conflict of interest with respect to a relative, roommate or household member also employed by the Company.

For the purpose of this policy, relatives, roommates or household members are considered to be any of the following: parent, child, brother, sister, half-brother or half-sister, grandparent, grandchild, aunt, uncle, nephew, niece, cousin, in-laws, step relatives and any person in a co-habitational relationship with the employee. The Company reserves the right to make the final determination regarding whether an employee is related to another employee or applicant.

An employee may not hold a position which requires direct supervision, direction, review, processing of work, determination of compensation adjustments or access to the payroll or personnel records of any relatives, roommates or household members identified herein.

If a working relationship contrary to this policy is created due to promotion, transfer, marriage or other circumstances, the affected individuals will be provided a reasonable time period (in the sole discretion of the Company) to voluntarily comply with this policy. The Company cannot guarantee that transfer or reassignment requests will be approved. Transfers will be based on the Company's needs and available positions. If the situation is not resolved voluntarily by the employees, a designated officer of the Company will take appropriate action to achieve compliance with this policy.

Separation from Employment

An employee may be separated from employment either voluntarily or involuntarily by resignation, retirement, lack of work, poor performance or other reasons.

Exit Interviews

Management may conduct an exit interview to discuss your reasons for leaving and any other impressions that you may have about QDP. During the exit interview, you can provide insights into areas for improvement for the company and your specific position.

Return of Company Property

Any property issued to you by the company such as software, computer equipment, databases, files, cell phone, pager, keys, parking passes, credit card(s) or any other equipment must be returned at the time of termination. You will be responsible for any lost or damaged items.

When an employee's employment is terminated, for whatever reason, the employee is required to immediately return all Company-owned property used during his/her employment, and all documents, disks, and other materials containing proprietary or confidential information belonging to the Company. This includes without limitation, laptops, computer, tablet computers, cell phones, keys, credit cards, vehicles, communication devices, uniforms, identification cards or badges, and any other equipment, materials, or items purchased, leased, owned, or otherwise belonging to QDP. The value of any Company-owned property that is not promptly returned upon termination of employment will be deducted from the employee's final paycheck. The employee will be required to sign an Authorization for Deduction form which will be submitted to the Insperity payroll department for processing with the employee's final payroll check. Additionally, any failure to return company property upon demand, may be referred to legal authorities, if necessary.

Upon termination, employees must return any original or duplicates of any written or other tangible items, whether maintained in hard copy, film, or electronic medium, belonging to the Company, its subsidiaries, affiliates, successors, or assigns, including without limitation, correspondence, reports, memoranda, records, data, charts, notes, devices, specifications, drawings, customer lists, and any other item containing trade secret information or confidential information relating to QDP products, services, designs, formulas, developmental or experimental work, computer programs, databases, customer/clients, marketing strategies, business plans, financial information, and employee information. These items are the property of QDP. Upon signing this document an employee agrees to the following QDP property guidelines:

Delivery of Property. Upon termination of employment for any reason, Employee, on or before the termination date, will deliver to the Company [and not keep in Employee's possession, recreate, or deliver to anyone else] any Company-owned property used during his/her employment, and all documents, disks, and other materials containing proprietary or confidential information belonging to the Company. This includes without limitation, all property covered in the Employee Handbook, any and all devices, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, materials, equipment, and other documents, property, or reproductions of such items developed by Employee pursuant to employment, with the Company, or otherwise belonging to the Company, its successors or assigns].

Preservation. Employee agrees not to copy, delete, or alter any information contained on any Company computer or Company equipment before returning such equipment to Company.

Destruction. Employee agrees to permanently delete any and all confidential information electronically stored on any and all employee personal devices prior to termination of employment.

Inspection. Employee agrees that any property situated on Company's premises and owned by Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice.

Working Through the Notice Period

Unless extenuating circumstances apply, at the discretion of the Company, any employee who fails to give notice according to the schedule above may be classified as "leaving without proper notice" and "not eligible for re-hire".

Employees are expected to work through the notice period without absence or incidents of tardiness. With the exception of previously approved PTO, departing employees will not be permitted to use any

additional PTO during the notice period unless approved in advance by the employee's supervisor. Failure to work through the notice period may result in the employee forfeiting their payout of unused PTO and eligibility for rehire.

Re-Employment

Employees who resign in good standing and who give proper notice may be considered for re-employment at a later date. Former employees rehired within 90 days of termination date receive credit for previous length of service. The employee's original hire date and benefit-eligibility are restored.

To determine whether or not a former employee is eligible for rehire, the hiring manager must contact the Payroll Manager. Once it is verified that the former employee is eligible for rehire, the hiring manager should contact the former manager for a reference to ensure that the employee previously performed to QDP standards.

Payment for Unused PTO

All accrued, unused PTO will be paid out at your hourly pay rate upon termination of employment, providing the employee has met the following conditions:

- is in good standing with no pending disciplinary actions
- has given adequate notice
- has continued to demonstrate satisfactory attendance and performance throughout the notice period
- has been employed for at least 90 calendar days

Non-Solicitation of Clients and Patients

During the 12-month period following an employee's last date of employment with QDP, regardless of the reason for the employee's separation from the Company, the employee may not, whether on behalf of himself/herself or any other person or entity, solicit or otherwise attempt to obtain business from any of QDP's clients, current patients, or prospective patients.

Further, for the same period of the time following an employee's separation from the Company, he/she may not, whether on behalf of himself/herself or any other person or entity, encourage any such client/customer to end their relationship, stop doing business with, or decrease business with QDP. Nothing in this Handbook is intended to restrict the employee from being employed by or engaged in a competing business.

Guidelines for Appropriate Conduct

In order to conduct the operations of QDP efficiently and professionally, all employees are to follow the rules of conduct that will protect the interests and safety of all employees and the company. All employees are expected to act in a professional manner with customers and the general public.

Although it is not possible to list all forms of inappropriate behavior and conduct, the following are examples that are considered inappropriate and may result in disciplinary action up to and including termination of employment:

- Falsifying employment or other company records;
- Violating the Anti-Harassment policy;
- Insubordination
- Violating certain state, federal or local laws and regulations;
- Violating security or safety rules or failing to observe safety rules or safety practices; failing to wear required safety equipment; tampering with equipment or safety equipment;
- Soliciting gratuities from customers or clients;
- Displaying excessive or unexcused absenteeism or tardiness;
- Possessing firearms, weapons or explosives on company property without authorization, in violation of policy or while on duty;
- Using the company's property and supplies, particularly for personal purposes in an excessive, unnecessary or unauthorized way;
- Distributing, viewing, downloading, possessing or using pornographic or otherwise offensive explicit materials or media while on Company property or on the job
- Unauthorized use of Company property or negligent damage of property;
- Violating the Violence in the Workplace policy;
- Violating the Drug-Free Workplace policy;
- Committing theft or unauthorized possession of company property or the property of fellow employees; possessing or removing any company property, including documents, from the premises without prior permission from management; using company equipment or property for personal reasons without proper authorization; using company equipment for profit; Giving confidential or proprietary information to competitors; working for a competing business while an employee of the company; breaking confidentiality of personal information including, but not limited to, Social Security Numbers, including any part of Social Security Numbers. Personal information also includes driver's license numbers, state-issued identification card numbers, date of birth, credit or debit or other account numbers, passport numbers, alien registration numbers or health insurance identification numbers. ;
- Engaging in abusive conduct, or bullying, such as using obscene, abusive or threatening language or gestures or other verbal or physical conduct a reasonable person would find threatening, intimidating, or humiliating;

- Engaging in malicious acts, directed to coworkers, such as gossip and/or rumors, derogatory remarks, insults, epithets;
- Interfering with another employee on the job, unwarranted sabotage or undermining another's work;
- Soliciting, selling, or collecting funds for any purpose while on working time (not including meals and authorized breaks). Employees who are not on working time shall not interfere with the work of employees who are on working time.
- Unprofessional behavior related to patients, physician or staff
- Engaging in activities in direct competition with the Company operations
- Sleeping on the job
- Leaving work during work hours without a supervisor's permission
- Violation of the Corporate Compliance Plan and/or any other Company policies or procedures

Where appropriate, supervisors will follow a process of employee discipline. Before or during application of any discipline, employees may be given an opportunity to relate their version of the incident or problem and provide an explanation. Examples of employee discipline include:

- Verbal Counseling - A conversation with an employee explaining that the employee's conduct or poor performance is unacceptable, and repeated or continued unacceptable conduct or performance will result in more severe disciplinary action. A record of the notice of the verbal counseling may be made and retained in the employee's personnel file.
- Written Counseling - A written document or memo that describes the unacceptable conduct or performance of the employee and specifies needed changes or improvements. A copy of the written counseling generally will be retained in the employee's personnel file.
- Termination - If an employee fails to follow acceptable conduct or performance standards, the company may terminate the employee's employment.

Depending on the specific circumstances, the company may suspend or terminate an employee without prior discipline, or without following a particular order of discipline.

Performance Improvement

The immediate supervisor must document all improvement action(s) on a Performance Improvement Plan ("PIP") form. The Performance Improvement Plan will document:

- Description of specific performance problem(s)
- Description should include specific, factual examples (i.e., incident dates, work samples, etc.)
- Outline of performance expectations that must be met
- An action plan to assist employee in meeting performance expectations
- Employee comments related to the performance improvement plan
- Date and time of next performance improvement meeting
- Signature of immediate supervisor

- Signature of employee acknowledging receipt (document the PIP, if the employee refuses to sign)

The supervisor conducts the performance improvement meeting with the employee to present agreed upon improvement actions. The employee will have an opportunity to ask questions, explain his/her behavior, provide input into the improvement plan, etc. At the end of the discussion, the employee can include his/her comments and sign the document acknowledging his/her receipt of a copy.

All involuntary terminations require prior approval from the immediate manager, and next level manager in consultation with the Chief Operating Officer.

The following PIP steps are tools in the improvement process; however, these tools are not progressive and can occur in any sequence or be omitted, as determined by the immediate supervisor.

- Coaching: A meeting between the employee and his/her immediate supervisor to bring to the employee's attention that his/her job performance or workplace conduct isn't measuring up to the Company's expectations and standards.
- Verbal Warning: A meeting between the employee and his/her immediate supervisor to discuss the performance problem and agree on an improvement plan.
- Written Warning: A written, formalized approach to provide feedback to the employee regarding the performance problem(s), corrective action(s), and next follow-up meeting date.
- Termination: Dismissal of an employee for severe infraction(s) and/or failure to improve performance through other disciplinary action(s).

Please refer to the *Guidelines for Appropriate Conduct* section for examples of some, but not all, situations that may result in disciplinary action.

Employees on a PIP are not eligible for promotions, transfers, bonuses or pay increases.

Performance Appraisal

The purpose of written personal performance appraisals is to aid in the development of an effective workforce. Performance appraisals are an ongoing process by which the supervisor communicates with the employee concerning actual job performance as compared to desired performance. It is an active process and should not merely be considered a once-a-year event. Balanced emphasis on both positive performance demonstrations as well as constructive discussion of opportunities for improvement will ensure these reviews are valued by both the supervisor and the employee.

Each employee's supervisor will conduct a performance appraisal annually. QDP will also use this time as an opportunity to communicate any changes in this Employee Handbook, the Compliance Plan, or other policies and procedures. Additionally, the Company will solicit input from all employees as to the effectiveness of its training programs and its Compliance Plan.

Absenteeism and Tardiness

QDP is committed to providing the best patient care in the industry, and attendance and punctuality are vital to its efficient operations and are essential components of each employee's job performance. QDP understands that all absences cannot be scheduled, and personal and family emergencies and illnesses occur without warning and associated time off cannot be scheduled. Absences resulting from family and

medical leaves that are covered by the Family and Medical Leave Act (FLMA) shall be considered “excused” or exempt under the Attendance Policy.

Any employee who is unable to report to work as scheduled is expected to personally contact his/her supervisor as far in advance as possible. In the event that an immediate supervisor is not available, the employee should contact their department manager or their supervisor’s superior. **It is not acceptable to leave a message with an answering service, in voice mail or with another employee or physician.** If the employee is incapacitated or otherwise not able to personally call in, a member of their immediate family should make the call.

The employee must give notice no later than two (2) hours prior to the beginning of their scheduled shift, but not earlier than 5:45 a.m. If an employee fails to give timely notice, the absence will be considered unreported (no call/no show). Compliance with any specific center/office call-in times or methods of calling in (such as whether texting is allowed) which are more stringent is required. Additionally, each employee is expected to notify his/her supervisor each day of an absence unless prior arrangements have been made.

QDP reserves the right to require an employee to submit a physician’s certification of illness and/or fitness to return to work in the event of repeated absences for medical reasons, in the event of a medical absence of two (2) or more days, or in the event of an unscheduled absence adjacent to a holiday, weekend, or previously scheduled PTO.

Being punctual means arriving to work on time and ready for work. Arriving late or not at all is disrespectful to other employees and has a negative impact on patients in the center and can ultimately affect the individual’s employment. A habitual pattern of absenteeism, tardiness or failure to notify the supervisor may result in the employee being placed on a Performance Improvement Plan or other disciplinary measures, including termination. QDP retains the right to determine excessive tardiness or absenteeism.

If an employee fails to call his/her supervisor or report to work for two (2) consecutive, scheduled shifts, the employee’s voluntary resignation will be processed for job abandonment.

If an employee has any violations of the attendance policy coupled with other rule violations and/or performance issues, the employee may be subject to more severe discipline.

The Attendance Policy will be applied as stated for those situations where an employee is scheduled to work overtime or makes a commitment to work during a regularly scheduled time off.

Regular attendance is important to the smooth operation of QDP. If you are late or absent, it places a burden on other employees and may impact productivity, customer satisfaction and team morale.

You are expected to be reliable and punctual by reporting to work on time and as scheduled. If you know that you will be absent or late arriving for work, notify your supervisor directly as soon as possible. In most circumstances, you should notify your supervisor within the first 30 minutes of your work shift each day of your absence, unless you have been granted a leave of absence. In the event of a sickness or accident while performing your duties, notify your supervisor immediately.

If you are absent for three or more consecutive workdays due to personal illness, you may be required to provide a statement from your healthcare provider before you will be permitted to return to work. Failure to properly report your absences may be considered a voluntary resignation of your position.

Outside Employment

You may hold outside employment so long as you meet the performance standards of your job with QDP. You will be evaluated by the same performance standards and will be subject to scheduling demands, regardless of any existing outside work requirements.

Any outside employment that appears to conflict with or compromises the interests of the company is not permitted. Employees also may not receive any income or material gain from individuals outside the company for materials produced or services rendered while performing their jobs with the company.

Drug-Free Workplace Policy

QDP is committed to protecting the safety, health and well-being of all employees, customers, clients, and vendors in our workplace. “Workplace” includes company property, any company-sponsored activity or any other site where you are performing work or representing the company.

The term “drug” as used in this policy includes alcoholic beverages and prescription drugs, as well as illegal inhalants and illegal drugs and/or controlled substances including, but not limited to, marijuana, opiates (e.g., heroin, morphine), cocaine, phencyclidine (PCP), and amphetamines.

All employees are expected to contribute to maintaining a drug-free workplace. Prohibited activities under this policy include the possession, use, sale, attempted sale, distribution, manufacture, purchase, attempted purchase, transfer or cultivation of drugs in the workplace. Employees are also prohibited from being at the workplace with a detectable amount of drugs in their system. However, the use and/or possession of prescription drugs, when taken as directed and obtained with a valid prescription under federal law, is not a violation of this policy.

As a condition of continued employment, all employees must comply with this policy. An employee who engages in an activity prohibited by this policy shall be subject to disciplinary action, up to and including immediate termination of employment.

Contact the Employee Assistance Program (EAP) for information about the availability of treatment programs such as assistance provided by Insperity’s health care plan coverage or drug and alcohol abuse rehabilitation and education programs.

This policy is not intended to replace or otherwise alter applicable U.S. Department of Transportation obligations or any other federal, state or local agency drug testing regulations related to a particular industry.

Company-Sponsored Social Events

When authorized by QDP, alcoholic beverages may be served at Company-sponsored social events. Only those individuals legally permitted to consume alcoholic beverages may be served at such functions. However, no employee is obligated to consume alcohol at such events. At Company functions, no employee should feel pressured to consume alcoholic beverages. If an employee chooses to drink alcohol during Company events, the employee does so at his/her own risk. All employees are expected to maintain a high standard of professional and personal conduct.

QDP reserves the right to arrange transportation for any employee suspected of being intoxicated at a Company social event. The Company reserves the right to cease allowing alcoholic beverages to be served to any employee whom it suspects is intoxicated or who behaves inappropriately at such functions. Managers and supervisors should remember that even at Company social events, they should set the standard for acceptable, responsible behavior.

Employees are not allowed to consume alcoholic beverages at work-related social functions that are patient-focused.

Tobacco-Free Workplace

QDP is committed to providing all employees with a safe and healthy work environment. All company premises are smoke-free, unless clearly marked otherwise. Smoking a cigarette, cigar, e-cigarette, or pipe or any other form of tobacco, as well as the chewing of tobacco, is not allowed. Smoking is permitted in employees' personal vehicles and designated smoking areas only. Upon returning to work, the odor of tobacco smoke should be covered and non-existent.

Employees who violate the smoking policy will be subject to disciplinary action.

Romantic Relationships

QDP strongly believes that an environment where employees maintain clear boundaries between employee personal and business interactions is most effective for conducting business. Romantic relationships may cause misunderstandings, conflicts of interest, complaints of favoritism, negative employee morale, and has the potential for sexual harassment claims if the relationship ends.

All employees are strongly discouraged from becoming romantically involved with co-workers, especially in relationships where employees are in a supervisor-subordinate relationship. Employees are expected to behave in a professional manner in the workplace and must follow the company's policy against unlawful harassment of any kind, including sexual harassment.

An employee who is romantically involved with a supervisor or co-worker should immediately and fully disclose the relevant circumstances to their supervisor or another management member so that a determination can be made as to whether the relationship presents an actual or potential conflict of interest. If so, the company may take appropriate action according to the circumstances, up to and including transfer or termination of employment.

Weapons

QDP strives to provide a safe and secure workplace for employees, clients, customers and visitors. The company prohibits the possession of any type of weapon, firearm, explosive and/or ammunition while on company property or conducting company business. For purposes of this policy, company property includes, but is not limited to, all company facilities, company-provided vehicles and equipment that are either leased or owned by the company or a company client.

In the event an employee lawfully possesses a firearm, the employee can store the firearm in the employee's personal vehicle while on company-provided parking areas; however, the firearm must be stored in the employee's locked vehicle, or locked to the vehicle, and hidden from plain view.

Employees share the responsibility of identifying violators of this policy. If you either witness or suspect another individual of violating this policy you should immediately report this information to their onsite supervisor.

Hours and Compensation

State specific policies, if applicable, will be listed at the end of the handbook.

Hours of Operation

Normal operating hours for QDP are from 8:00 a.m. to 5:00 p.m., Monday through Friday. These hours may vary depending upon your position and work requirements. If applicable, your supervisor will provide direction for lunch and rest breaks in order to facilitate the smooth flow of business and to maintain an adequate number of staff.

Give your supervisor as much advance notice as possible for any schedule changes.

Pay Practices

For overtime calculations and salary administration, the fixed 7-day "workweek" for QDP is the period beginning at 12:01 a.m., Monday and ending at midnight, Sunday. All employees will be paid bi-weekly on every other Friday. For payday falling on a weekend or holiday, you will be paid the prior business day.

If you are absent on payday and someone else is to pick up your check, it will not be released without a signed note from you authorizing the named person to pick it up. The person designated to pick up your check will be asked to produce satisfactory identification; otherwise, your check will not be released.

If your employment ends, you will be paid your final wages in accordance with applicable state law.

Employment Classification

Positions within the Company are classified as Non-Exempt and Exempt. This is necessary because, by law, employees in certain types of jobs are entitled to overtime pay for hours worked in excess of forty (40) per work week (paid time off is not included as part of a 40-hour work week). Employees in these positions are referred to as "non-exempt" in this Handbook. This means that they are not exempt from (and therefore will receive) overtime pay.

Employees in Exempt positions (like executives, managers, professional staff, technical staff, and others) have duties and responsibilities that allow them to be "exempt" from overtime pay provisions as provided by the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. If you are in an exempt position, you will be advised that you are in this classification at the time you are hired, transferred or promoted according to your job description.

Overtime for Non-Exempt Employees

Depending on QDP's work needs, employees will be required to work overtime when requested to do so. Nonexempt employees will be paid overtime premiums at the applicable federal or state wage rate, whichever is higher. You are responsible for clearly noting all hours worked, including any overtime hours, on your timesheet.

It is our policy that no overtime can be worked without the advance approval of your supervisor. Failure to obtain approval in advance of working the overtime is a violation of company policy and you may be subject to disciplinary action.

If, during a workweek, you are away from the job because of an injury, paid holiday, jury or witness duty, sick day or vacation day, those hours not worked will not be counted as hours worked for the purpose of computing overtime pay, even if you receive pay such as sick or vacation pay for such time missed.

Prohibited “Off the Clock” Work

Employees are not to work “off the clock” and are required to ensure that all time worked is properly recorded. If you are given directions to perform work “off the clock,” you should promptly notify your supervisor. If your supervisor has given you directions to work “off the clock” and/or has told you not to properly record all hours worked, notify your Insuperity human resource specialist. You will not be penalized in any way for making such a complaint.

Exempt Employee Reduction of Salary

Exempt employees are paid on a salary basis and, in general, must be paid their full salary for any week they perform work. Their weekly salary may be reduced only in the following circumstances:

- Employees who are absent for at least a full day because of personal reasons, sickness or disability will not be paid for that day unless they have accrued paid time off under the QDP paid time off, vacation, sickness or disability policy and the absence qualifies for pay under the policy. Their salary will not be reduced for less than a full day because of personal reasons, sickness or disability.
- Employees who are absent from work for jury duty, attendance as a witness or military leave may have their salary reduced by the amount of payment they receive in the form of jury fees, witness fees or military pay. Their salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week.
- Employees who work less than 40 hours during their first and/or last week of employment will be paid a proportionate part of their full salary for the time actually worked.
- Employees who take leave under the Family and Medical Leave Act will not be paid for that time unless they have accrued paid time off under the company paid time off, vacation, sickness or disability policy, if any. Their salary will be reduced by the hours missed, even if it is for less than a full day.
- Employees who violate a safety rule of major significance, may have their salary reduced in an amount to be determined by the company as a penalty for that violation.
- Employees may be suspended without pay for other types of workplace misconduct, but only in full day increments. This refers to suspensions imposed according to a written policy applicable to all employees regarding serious misconduct, including, but not limited to, workplace harassment, violence, drug and alcohol violations, legal violations, etc. The possibility of unpaid suspensions is included into all similar policies.

This policy is subject to applicable state law regarding reduction of exempt employees’ salaries if the state law is more favorable to employees.

Prohibited Reductions/Complaint Procedure

Any salaried exempt employee whose salary is reduced in violation of this policy will be reimbursed. If you feel your salary has been improperly reduced, please notify your Insuperity human resource specialist. No employee will be penalized in any way for making a complaint.

This policy is intended solely to implement Fair Labor Standards Act (FLSA) regulatory requirements, and applicable state law will be applied and modified as necessary in accordance with the requirements, and is not to be considered any type of contract.

Mandatory Deductions from Paycheck

QDP is required by law to make certain deductions from your paycheck each time one is prepared. Among these are federal, state and local income taxes, and your contribution to Social Security and Medicare (FICA).

The amount of the deductions will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. If you wish to modify your W-4, complete a new W-4 form obtained from the Employee Service CenterSM at esc.Insperity.com, under Forms and Policies. Check your pay stub to ensure that it reflects the proper number of withholdings and deductions.

QDP will also make deductions from your pay for other voluntary deductions you have authorized, such as your contribution to any group health insurance premiums or retirement plan contributions.

QDP may make other mandatory deductions from your paycheck, such as court-ordered garnishments. If you have a question about these or any deduction, you should speak to your Insperity payroll specialist.

Error in Pay

QDP and Insperity make every effort to ensure that you receive the correct amount of pay in each paycheck and that you are paid on the scheduled payday.

You should review your paycheck when received and, if you believe an error has been made, contact your supervisor and Insperity human resource specialist immediately. All necessary steps will be taken to research the problem and to assure that any necessary correction is promptly made.

Lactation Break

QDP will provide a reasonable amount of break time, or amount of time required by state law, to accommodate a female employee's need to express breast milk for the employee's infant child for up to one year following the child's birth, or as required by law. The break time should, if possible, be taken concurrently with other break periods already provided. Employees should clock out for time taken for 30 minutes or more that does not run concurrently with normally scheduled break periods. QDP will provide the employee with the use of a room or other location in close proximity to the employee's work area, other than a restroom, where the employee may express milk in private. Speak with your supervisor should arrangements for a refrigerator be required.

You should notify your immediate supervisor if you are requesting time to express breast milk under this policy.

Workplace Expectations

Appearance and Attire

Employees are representatives of the Company. The appearance and attire of all employees leaves an impression on patients, their families, and other visitors. The Company wants this impression to be a professional one. Employees are expected to be neat, clean, well-groomed, and appropriately dressed while they are working.

QDP is confident that employees will use their best judgment regarding attire and appearance, but reserves the right to determine appropriateness. Any employee who is improperly dressed will be counseled or may be sent home to change clothes. Continued disregard of this policy may be cause for disciplinary action.

All Employees

- Employees must maintain clean, neatly combed hair. Hairstyles are expected to be in good taste.
- Clothing must be consistent with the standards for a business environment and must be appropriate to the type of work being performed. Employees must be covered from shoulders to knees at all times.
- Strongly scented cosmetics and cologne that are distracting or may cause an allergic reaction should be avoided.
- Large piercing and facial jewelry such as ear gauges, eyebrow rings, nose rings, lip rings and tongue studs, etc. are not professionally appropriate and must not be worn/visible during business hours.
- Conspicuous tattoos and similar body art must be covered during business hours.
- The odor of tobacco smoke should be covered and non-existent.

Employees Providing Direct Patient Care

- Employees who are required to wear QDP-provided clinical scrubs and must wear such clothing in its appropriate and intended manner.
- Name tags or ID badges must be worn at all times.
- Jewelry should not be functionally restrictive, dangerous to job performance or excessive. Earrings should be no larger than the size of a small stud.
- Only closed-toe shoes or appropriate footwear that can be easily cleaned and have slip-resistant soles are permitted.
- Long hair must be worn up, or otherwise secured, to avoid hair falling onto any clean or sterile field or becoming accidentally entangled in equipment.

Employee Safety and Health

Our employees are our most valuable resource, and their safety is most important to us. You are expected to report all job-related injuries or illnesses to your supervisor immediately, regardless of severity. You are also expected to:

- Obey safety rules.
- Follow safe job procedures and not take shortcuts.
- Keep work areas clean and free from slipping or tripping hazards.
- Use prescribed personal protective equipment.
- Report all safety hazards or malfunctions to a supervisor immediately.
- Use care and proper technique when lifting and carrying objects.
- Observe restricted areas and all warning signs.
- Know and follow emergency procedures.
- Report unsafe conditions to supervisors.
- Report every accident and injury to a supervisor promptly.
- Follow the care prescribed by the attending physician when treated for an injury or illness.
- Attend all employee safety meetings.
- Cooperate fully in accident investigations; serve on safety committee or other loss control activities as needed.

If you have reported a safety issue to your supervisor and you feel that the issue has not been appropriately addressed, you should report the issue to Human Resources.

To maintain a safe and healthy workplace, both management and employees must work diligently to promote safety.

Customer Relations

One of our highest priorities is to help any customer or potential customer with outstanding service. In order to realize our commitment to excellent customer service, we expect you to:

- Provide courteous service in a prompt and efficient manner.
- Establish and maintain positive relationships with customers by gaining their trust and respect through professional, honest interaction.
- Handle complaints quickly and professionally; never argue with a customer. If you are unable to resolve the complaint to the customer's satisfaction, review the situation with your supervisor.
- Communicate with customers in a professional manner whether in person, over the phone or via e-mail.

As an employee, you can expect QDP to...

- Encourage compassion and respect in all interactions
- Promote transparent and direct communication and collaboration

- Promote an environment free of discrimination and harassment
- Provide meaningful and challenging work
- Seek to provide you with the resources and knowledge to perform your job well
- Provide you with performance feedback routinely
- Strive to recognize you for exceptional performance
- Make every effort to provide competitive pay and rewards based on your contributions
- Endeavor to support you in meeting your career development and learning goals

QDP expects you to...

- Demonstrate commitment to the Company's values, our code of conduct and ethical standards
- Strive to enhance all services to patients and physicians
- Perform at a level that contributes to the Company's success
- Take on assignments critical to meeting business objectives
- Willingly listen and act upon feedback
- Exhibit no bias in interactions with co-workers, patients and others
- Be open to new ideas and embrace change
- Take responsibility for your actions

Inclement Weather and Emergency Situations

QDP is in the business of providing services to its patients. Accordingly, it is our intention to remain open for business during inclement weather. The Company wants to ensure employee safety, and this is the primary concern when weather conditions make traveling by car hazardous. In the event of inclement weather or other emergency situations, the Company will determine if the Office will be closed or a change in business hours is necessary due to severe weather conditions or emergency situation. Employees may contact the Office Administrator or appropriate designee to inquire as to the status of the Office's business hours.

When the Office is closed due to severe weather or other emergency situations, employees will be paid for their scheduled shift for up to two consecutive days. If the Office is closed beyond two days, subsequent time off will be unpaid or employees may use any accrued PTO. In the event a Company Holiday occurs during a weather or emergency-related closure, the Holiday will be paid in accordance with the Holiday Pay and Additional Guidelines sections of this Handbook.

When the Office is scheduled to open late or close early due to severe weather or other emergency situation, employees will be paid for their scheduled work hours as long as they report to work when the Office opens, or were present at work when the Office closed early. Employees who have not reported to work that day are ineligible for these hours to be paid and will need to use PTO time. Employees who were scheduled to use PTO that day will not receive credit for early closing hours.

If the Office is not closed and employees are unable to travel to work, or if employees feel travel is unsafe, PTO may be used. These absences may be excused at the discretion of the Office Administrator.

Visitors in the Workplace

If an employee's friends or family members are in the offices on business, or being treated as a patient, they should be escorted and treated as any other visitor, patient, or vendor. It is every employee's responsibility to ensure that visitors do not have any unrestricted or inadvertent access to patient information. From time to time, visitors may drop off or pick up items for employees; however, employees should avoid receiving personal visitors in the workplace for any period of time.

Children in the Workplace

The presence of children in the workplace with the employee-parent during the employee's workday is inappropriate and is to be avoided except in emergency situations. This policy is established to avoid disruptions in job duties of the employee and co-workers, reduce property liability, and help maintain the company's professional work environment.

If bringing a child to work with the employee is unavoidable, the employee must contact his/her supervisor as soon as possible to discuss the situation and obtain permission to have the child accompany the employee while working. Factors the supervisors will consider are the age of the child, how long the child needs to be present, the work environment in the employee's area, and any possible disruption to the employee's and co-workers' work. Consideration will not be given to allowing a child with an illness to come to work with the employee. The amount of time allowed for a child staying in the workplace is limited to the amount of time it takes to get the emergency situation resolved.

A child brought to the workplace in unavoidable situations will be the responsibility of the employee-parent; the child must be accompanied by and under the direct supervision of the employee-parent at all times. Supervisors have the right to rescind their approval at any time if the child causes any damage, becomes disruptive or is left unattended.

Former Employees in the Workplace

Former Employees are not permitted in the workplace, unless for the purpose of being treated as a patient, in their performance of consulting services, or attending to other official Company-related business.

Workplace Accidents and Workers' Compensation Insurance

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your supervisor and/or Human Resources or Insperity. If you or another employee is seriously injured, contact outside emergency response agencies. No matter how insignificant an injury may seem at the time of occurrence, you are to notify your supervisor or the Director of Practice Operations immediately of any workplace accident or injury.

The federal law, Occupational Safety and Health Administration (OSHA) requires that we keep records of all illnesses and accidents, which occur during the workday. Employees are required to report any workplace illness or injury, no matter how slight. OSHA also provides for your right to know about any health hazards that might be present on the job. Should you have any questions or concerns, contact your supervisor or the Director of Practice Operations and/or Insperity for more information.

Workers' compensation insurance coverage is provided by Insperity's worker's compensation carrier in most states, with the exception of Washington, Wyoming, and North Dakota where coverage is provided

by a state fund. Questions regarding workers' compensation insurance coverage should be directed to your supervisor or the Insperity Workers' Compensation Department at 800-242-8893, ext. 4244.

Use of Cell Phones While Driving

This policy applies to: (1) the operation of Company-provided vehicles (owned or rented); and (2) the operation of private vehicles while an employee is conducting Company business.

Employees should not use hand held cell phones for any purposes while driving. Employees may use hands-free phones, where permitted by law. Such calls should be kept short and, should traffic or weather circumstances warrant, the employee should locate a lawfully designated area to park and continue the call.

Employees may not engage in texting, emailing, or social media activities while driving.

Communications

English in the Workplace

QDP encourages diversity and makes every effort to recruit and select a diverse workforce. While the company remains committed to the expression of its diversity efforts, it realizes that specific business operational requirements necessitate that communications be clear, concise, and uniform for the safe, efficient, and respectful operations of its patient care centers. Thus, in meeting these operational requirements, the use of English will be required in certain circumstances, including but not limited to the following:

- All medical records documents, whether written or in the electronic medical records, must be made in English.
- English will be used when working with patients who prefer to be communicated with in English.
- All work directives and communications will be provided in English and, while employees are engaged in such work-related efforts or on project teams, they will agree as to which language to use.
- All safety, center and security related materials will be provided in a language that the employees speak. Team or departmental meetings that relate to business operations, safety, center and / or personal security will be expected to be conducted in a language that the employees speak.

Prohibited Use of Recording Devices

To encourage open channels of communication among employees and to ensure the privacy of our employees, clients and customers, and the integrity of our business information, you may not openly or secretly tape, record, or videotape, any conversation, communication, activity or event. This policy also applies to recording conversations and communications with any other third parties either doing business with or connected to QDP, including outside legal counsel, auditors and regulatory officials.

You are restricted from using the recording or camera functions on any electronic communication devices anywhere in the building or on company property at any time.

Time Off / Leaves of Absence

Paid Time Off (PTO)

QDP believes that employees should have opportunities to periodically enjoy time away from work to help balance their lives. The Company recognizes that employees have diverse needs for time off from work and has established a Paid Time Off (PTO) policy to meet those needs. Employees are accountable and responsible for managing their own PTO hours through their TimeStar™ payroll account to allow for adequate reserves if there is a need to cover vacation, illness or disability, appointments, emergencies or other needs that require time off from work. Generally, employees are not permitted to borrow against future PTO accruals. Employees may carry over into the following year a limited number of hours (see the separate PTO Accruals and Policy available on the QDP Portal).

PTO will include time off to care for sick family or friends, vacation time, and other personal time off for exempt and non-exempt employees. Employees must request and schedule PTO days online at Insperity.com (TimeStar™) in advance of time off for vacations, personal leave, appointments or other reasons, except in emergency situations. PTO is subject to supervisory approval and department staffing needs. Employees are encouraged to request PTO through TimeStar™ a minimum of ten business days in advance of requested time off. Those employees who provide patient care by appointment must request PTO time a minimum of fifteen business days in advance.



Managers reserve the right not to approve a PTO request if it will interfere with Company operations or adversely affect coverage of job and staff requirements. Whenever possible, employee requests for PTO will be accommodated, but where scheduling conflicts arise, workload priority will prevail. Employees should not purchase vacation reservations prior to approval of PTO requests. Employees are strongly encouraged to schedule PTO to coincide with vacations of supervising physician or other scheduled office closures, when feasible. In this situation, an employee may elect not to use PTO time off if their physician is scheduled to be off and their services are not needed.

When an employee has an unscheduled absence, the employee will be required to use any available PTO to cover the absence. Upon returning to work, it is the employee's responsibility to request PTO time through TimeStar™ for any unscheduled absence in advance of the payroll deadline. Similarly, if an employee is on a leave of absence and is not eligible for wage replacement benefits, such as short-term disability benefits ("STD"), then the employee will be required to use available PTO during the leave. If the employee has applied for STD but is still in the waiting period, then the employee will be required to use PTO until the STD coverage begins. Employees who are on a leave of absence due to a work-related injury or illness will not be required to use PTO unless the claim is denied and they receive no workers' compensation benefits.

Employees receiving workers' compensation benefits cannot utilize PTO benefits regardless of whether the employee is injured while working for this Company or another. The employee may utilize PTO to cover the seven day waiting period for workers' compensation benefits to begin. Any workers' compensation insurance benefit is exclusive and primary.

Employees will not accrue PTO while on any leave of absence.

At times, a benefit-eligible employee may be rehired or his/her status changed following a short break in service. If the employee is rehired or reclassified in a benefit-eligible position within 90 days or less, he/she will retain the original hire date for determining the number of years for PTO accrual. If an employee is rehired following a break of more than 90 days, years of service will be calculated based on the new date-of-hire.

QDP provides paid time off to protect employees from loss of income due to health care needs and for vacations. Any employee who abuses this policy or the use of PTO may be subject to dismissal.

Employee PTO Use

All full-time employees are eligible to use PTO upon the employee's completion of 90 days of benefit-eligible employment. QDP employees who were previously employed with an affiliated practice immediately prior to their employment with QDP will receive credit for the time employed by either company when computing their PTO accrual rate. See the [PTO Accruals](#) for the accrual rates that are applicable to specific QDP subsidiaries.

PTO is paid on the basis of the employee's equivalent base hourly rate of pay, or salary equivalent, and does not include overtime (whether scheduled or unscheduled), shift differentials, or any other type of premium compensation.

Employees are required to use available PTO up to the amount necessary to equal their regularly scheduled work week. The amount of PTO taken cannot exceed the amount of time of their regularly scheduled shift. For example, if an eight (8) hour non-exempt employee takes off a full day of work, 8 hours of PTO will be deducted from his/her PTO balance. Employees have the option of taking PTO or a reduction in pay when there is a Company-directed absence due to low patient census.

Part-Time and PRN employees are not eligible to accrue PTO benefits, and time spent working in a Part-Time or PRN classification will not apply toward the employee's accrual rate, if reclassified into a benefit-eligible position.

Holiday Pay

The Company recognizes the need for employees to take time during holidays to rest and enjoy family and friends. Therefore, all benefit-eligible employees are entitled to holiday pay which is provided in addition to their PTO benefits.

Non-exempt employees working on core holidays will be paid a minimum of one and one-half times their base hourly rate of pay for eligible hours worked. This is in recognition for the commitment to world-class patient care employees make during these holidays. Generally, holidays that fall on a Saturday will be taken on Friday; holidays that fall on Sunday will be taken on Monday. To avoid confusion, all observed holidays will be established at the beginning of each calendar year.

The Company observes the following core holidays.

New Year's Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Day after Thanksgiving Day

Christmas Eve

Christmas Day

Additional Guidelines

The Company will rarely require employees to work on observed holidays. Hours worked on designated holidays will count as hours worked for the calculation of weekly overtime. In accordance with Federal wage and hour law, if an employee takes a holiday, the hours paid for the holiday are not considered as hours worked for the purpose of computing overtime pay.

Employees will forfeit holiday pay when they have an unexcused absence on either the day before or after a holiday. In instances of holidays that are celebrated on consecutive days, (i.e., Thanksgiving and the day after Thanksgiving) employees must work, or have an excused absence, on the day preceding and the day following both holidays.

Employees on a leave of absence of any kind will not receive holiday pay.

PTO Donation

In the event an employee has a catastrophic illness/event, co-workers may be authorized to donate PTO hours to that individual. Generally, PTO days are donated and used in full day increments equally, unless other circumstances apply, and at the discretion of the Company. To be eligible to receive PTO donations, an employee must have been employed with the Company for 90 days and may only receive PTO donations once in a six (6) month period. The employee must also have exhausted all accrued PTO time. Employees donating PTO to an employee in need must have a balance of not less than 40 hours after the donation.

The employee wishing to donate PTO time must submit their request to their supervisor in writing or via email. The supervisor will forward the request to the Payroll Department for approval. The supervisor must verify that the employees donating and receiving meet the above mentioned criteria.

Insperty Online Services

Visit Insperty online to access training, secure personal information and work tools. Follow the steps below to log in and begin using the Insperty Employee Service CenterSM:

Step 1: Go to <http://esc.insperty.com> and click CREATE ACCOUNT

Step 2: Enter your last name, date of birth and home ZIP code

Step 3: Enter a username and password of your choice, and then follow the remaining prompts to create the account.

Your personal information is accessible only to you through multiple layers of security and industry-standard data encryption. Since payroll information and other sensitive data are accessible through your account, it is important you do not share your username and password with others.

Contact Insperty's Contact Center toll free at 866-715-3552, Monday through Friday from 7:00 a.m. to 7:00 p.m. Central time for questions about the Employee Service CenterSM and your Insperty benefits.

Leave of Absence

State specific polices are listed at the end of the handbook.

FMLA

As provided under the Family and Medical Leave Act (“FMLA”), QDP provides unpaid family and medical leaves of absence to eligible employees.

Eligible Employee

Although QDP is not required to provide FMLA leave to employees who work in locations with fewer than 50 employees in a 75-mile radius, QDP chooses to extend FMLA protection to all employees, provided that employees meet the following service requirements for eligibility:

1. You have been employed by QDP for at least 12 months in the preceding 7 years; and
2. You have worked 1,250 hours during the 12-month period immediately before the beginning of the leave.

In determining eligibility for employees returning from military service, such employees will be given credit for the months served and the hours of service that would have been performed if not for the absence caused by active service.

Approved Reasons for Leave

FMLA leave may be taken for the following reasons:

1. The birth of an employee’s child or care for the newborn child;
2. The placement of a child with the employee for adoption or state-approved foster care;
3. The employee’s own serious health condition or the care of an employee’s spouse, child or parent (“family member”) who has a serious health condition. A “serious health condition” is an illness, injury, impairment or physical or mental condition that involves either inpatient care or continuing treatment by a health care provider. The continuing treatment requirement is met where an employee is out of work due a) to an incapacity of more than three consecutive, full calendar days and during which the employee visits a health care provider on at least one occasion; b) to an incapacity caused by pregnancy or prenatal care; a chronic condition, or long-term conditions; or c) to absences for multiple treatments.
4. The employee’s care of a “covered service member” who has sustained a serious injury or illness during active duty (“military caregiver leave”). The employee must be the spouse, son, daughter, parent, or next of kin of the covered service member. A “covered service member” means a member of the Armed Forces, National Guard, or Reserves, who is undergoing medical treatment, recuperation or therapy, is in out-patient status, or is on the temporary disability retired list for serious injury or illness. A “covered service member” also includes a covered veteran of the Armed Forces, National Guard, or Reserves, who was discharged or released within five years preceding the date on which the veteran undergoes medical treatment, recuperation, or therapy for a serious injury or illness. For covered veterans who were discharged or released under conditions other than dishonorable prior to March 8, 2013, the time period between October 28, 2009 and March 8, 2013 will not be counted towards the determination of the five-year period for covered veteran status. A “serious injury or illness” for military caregiver leave includes an injury or illness that was incurred or aggravated by the covered service member on active duty in the Armed

Forces and in the case of a covered veteran, manifested itself before or after the member became a veteran.

5. The employee's responding or attending to a "qualifying exigency," arising out of a military member's active duty or notification of an impending call or order to covered active duty in the Armed Forces, National Guard or Reserves in a foreign country. A "military member" includes a spouse, son, daughter, or parent of the employee. A "qualifying exigency" includes the following:
 - a) Short-notice deployment where a covered military member is notified of a call or order to active duty seven or less calendar days prior to the date of deployment;
 - b) Military events and related activities sponsored by the military;
 - c) Childcare and school activities, where necessary to arrange for alternative childcare, provide childcare on an immediate need basis, enroll in a new school or day care or attend meetings with school officials;
 - d) Financial and legal arrangements to address the covered military member's absence;
 - e) Counseling of eligible individuals by someone other than a health care provider;
 - f) Rest and recuperation, for purposes of spending up to 15 days with a covered military member who is on short-term, temporary, rest and recuperation leave;
 - g) Post-deployment activities;
 - h) Parental care, including arranging for alternative care, providing care on an immediate need basis, admitting to or transferring the parent to a care facility where the military member's parent is incapable of self-care and the need to provide such care arises out of military member's active duty or call to active duty; and
 - i) Other activities related to the military member agreed upon between you and QDP.

Length of Family and Medical Leave and Qualifying Exigency Leave

An eligible employee is entitled to a combined total of 12 workweeks of unpaid leave within a 12-month period for family and medical and qualifying exigency leave. The amount of leave available to you will be calculated by looking backward at the amount of leave taken within the 12-month period immediately prior to the first date of leave. Family and medical leave and qualifying exigency leave may run concurrent with other federal, state and local leave laws.

Leave taken for the care of a newborn child or placement for adoption or foster care must be taken within 12 months of the birth or placement of the child. If both parents are employed by QDP, and are eligible for leave, except for leave due to your serious health condition or your spouse's or child's, you may both take a combined total of 12 weeks.

Leaves may be taken as an intermittent leave or a reduced schedule in the following situations:

- a. For your own serious health condition or the serious health condition of a family member when medically necessary or when the need for leave is best accommodated through scheduling.
- b. For a qualifying exigency leave.

An employee requesting intermittent leave/reduced schedule leave may be transferred temporarily to an available alternative position with equivalent pay and benefits, or to a part-time position with an

equivalent hourly rate and benefits, if such a position better accommodates the need for intermittent leave/reduced schedule leave.

Length of Military Caregiver Leave

An eligible employee is entitled to a combined total of 26 workweeks of unpaid leave within a single 12-month period for military caregiver and other qualifying FMLA leave. If both a husband and wife are employed by QDP and are eligible for military caregiver leave, the two may take a combined total of 26 weeks. Military caregiver leave may run concurrent with other leave entitlements provided under federal, state and local law.

Intermittent leave or a reduced schedule may be approved for military caregiver leave where medically necessary and where the need for leave is best accommodated through scheduling. An employee requesting intermittent leave/reduced schedule leave may be transferred temporarily to an available alternative position with equivalent pay and benefits, or to a part-time position with an equivalent hourly rate and benefits, if such a position better accommodates the need for intermittent leave/reduced schedule leave.

Substitution of Paid Leave

If you are taking family and medical leave due to your own serious health condition, you should substitute all accrued paid leave, including accrued and unused sick leave, paid vacation, paid personal time, paid time off and, if applicable, short-term salary continuation, before continuing leave on an unpaid basis. When receiving disability benefits under a disability benefit plan, the substitution of your accrued paid leave is not required.

If you take leave under this policy for reasons other than your own serious health condition, you must use all accrued paid leave before continuing on an unpaid basis. Any family and medical leave, qualifying exigency leave, military caregiver leave, whether paid, unpaid or a combination, will be counted toward the 12-week or 26-week leave entitlement, as applicable.

Employee Notification Requirements

If you expect to take family and medical leave, qualifying exigency leave or military caregiver leave, you must notify the Insperty Leave and Disability Group of your intention to take leave at least 30 days in advance of the expected leave by completing a Leave of Absence Request form. If the leave is not foreseeable, you must provide notification as soon as practical. In addition, you must comply with QDP's established absenteeism and tardiness policies.

Medical Certification

Within 15 calendar days of the request, an employee who takes leave for his or her own or a family member's serious health condition, or to care for a covered service member, must submit medical certification to the Insperty Leave and Disability Group detailing the reason(s) for the leave. If you fail to do so, QDP may delay the start of the requested leave, withdraw any designation of the requested leave as FMLA leave, or deny the requested leave, and consider time taken off subject to the company's established absenteeism and tardiness policies.

If your medical certification is incomplete and/or insufficient, Insperty may notify you in writing as to what is incomplete and/or insufficient. You will then have seven calendar days to resubmit the medical certification. Failure to provide a complete and sufficient certification by the date required may result in the denial of the requested FMLA leave.

When returning to work after being on leave for your own serious health condition, you will be required to provide a medical release.

“Qualifying Exigency” Leave Certification

Within 15 calendar days of a request for qualifying exigency leave, the employee must submit written certification detailing the reason(s) for leave to the Insperty Leave and Disability Group. You may also be required to submit appropriate supporting documentation, such as a copy of the covered military member’s active duty orders or other military documentation indicating the appropriate military status and the dates of active duty status.

Job Restoration

When returning from an authorized leave, an employee will normally be returned to the same or an equivalent position, with no loss of benefits accrued prior to leave. Absences due to leave will not be counted as time worked for the purpose of seniority or computing paid time off for vacation, sick leave or personal days. In the event your position is affected by a decision or event not related to your leave of absence (e.g., job elimination or layoff), you will be affected to the same extent as if not on leave.

Certain “key employees” as defined under the FMLA may not be eligible to be restored to the same or an equivalent position after leave if doing so would cause substantial and grievous economic injury to the operations of the company. If applicable, QDP will notify “key employees” in writing of their status and the conditions under which job restoration will be denied.

Workers’ Compensation and Family and Medical Leave

If you are eligible for FMLA and are on leave due to a workers’ compensation injury that meets the definition of “serious health condition,” the absence will count towards your family and medical leave. You may be asked to provide a medical certification form to determine if your workers’ compensation injury meets the definition of a serious health condition.

Questions about Family and Medical Leave

If you have any questions about your rights or responsibilities under this policy, contact the Insperty Contact Center toll free at 866-715-3552 (select “Benefits”), weekdays between 7 a.m. and 7 p.m. Central time. QDP and Insperty will comply with all applicable federal, state and local laws in administering this policy.

Continuation of Benefits

All active, full-time employees covered by the Insperty Group Health Plan or the Insperty Health Care Flexible Spending Account (FSA) Plan may continue plan coverage for up to 12 weeks during an approved leave of absence, or for any longer period, as required by law.

While on leave, you must continue to pay any required contribution for health coverage, as well as make payments for any other applicable benefits which would otherwise be automatically deducted from your wages (e.g., supplemental life insurance, credit union loans, and 401(K) loans). Your failure to pay any required employee contributions does not relieve you of your obligation to pay such contributions. Contact the Insperty Contact Center at 866-715-3552 for details regarding employee contributions. For questions regarding 401(K) loan payments, contact Insperty Retirement Services at 888-401-5273.

If you do not return to work upon expiration of the applicable 12-week period (or such longer period as required by law), coverage will terminate and you will have the opportunity to continue coverage for a limited period of time under COBRA in accordance with applicable law.

Personal Leave

Consideration will be given to the granting of an unpaid personal leave of absence for a brief period of time under certain extraordinary circumstances at the Company's discretion. Employees who take leave for any reason under this policy must use at least one (1) week of PTO, if available, prior to going on unpaid status. There is no guarantee of reinstatement following a personal leave. While the Company will attempt to place an employee returning from personal leave into an available position for which she or he is qualified, it cannot guarantee that a position will be available.

Bereavement Leave

QDP provides bereavement leave for benefit-eligible employees who have worked at the Company for at least 90 days. Bereavement leave for part-time employees will be pro-rated based on regularly scheduled hours.

Generally, bereavement leave can only be taken during the time immediately after the employee learns of the death and through the day of the funeral. During this time, employees may have up to two (2) days off with pay. To be compensated for those days, the employee must have been scheduled to work on those days (unless the employee was on a personal leave of absence to care for the deceased family member). Additional leave beyond the two days of paid time off may be requested, and, if approved, must be taken using PTO, or as unpaid leave if no PTO is available.

Bereavement leave and pay is available only in circumstances involving the death of an employee's immediate family member. Immediate family is defined as parents, siblings, spouse, child, grandchild, in-laws, and grandparents. Also included are stepparents, stepsiblings, stepchildren, and domestic partners. The Company may request verification of the facts surrounding any requested leave. Extenuating circumstances should be discussed with the Practice Support Group.

Military Leave

QDP offers military leave to personnel who have military obligations. This leave will be granted in accordance with state and federal law. An employee requesting leave should contact the Practice Support Group to obtain the appropriate paperwork.

Leave Forms Available on the QDP Portal

- Leave and Disability Manual
- Insperity FMLA Request form
- Provider Certification Form for Employee Leave
- Provider Certification Form for Family Member Leave

North Carolina Specific Policies

School Activities Leave

Since school events sometimes occur during working hours, QDP recognizes the challenge for working parents, legal guardians or custodians to fully participate in their children's education and school activities. Therefore, you are permitted to take time off work up to a total of **4 hours per year** to:

- Attend parent teacher conferences;
- Attend school-related activities;
- Volunteer or otherwise be involved;
- Attend school sponsored events; or
- Respond to an emergency involving the child.

Where possible, you should give written notice at least 5 school days in advance. You may be required to provide written documentation from the school indicating your participation in the school event.

If you are a nonexempt employee taking school activity leave, you may choose to use accrued vacation or paid time off (PTO). However, if no paid leave is available, you may take the time without pay.

Jury Duty and Witness Leave

If you are summoned to jury duty or to appear in court as a witness, QDP will continue your pay in accordance with FLSA and applicable law. If you are summoned to jury duty, QDP will continue your pay for 5 days of jury service per calendar year. If you are required to serve more than 5 working days of jury service in a calendar year, you will be allowed additional time off without pay to complete the jury service. QDP will continue to pay for this extended period of service in accordance with FLSA and applicable law. You must notify your supervisor as soon as it is known your jury duty will be extended.

To qualify for either jury or witness duty leave, you must submit a copy of the summons to your supervisor as soon as it is received. In addition, you must also submit to your supervisor a related proof of service when the period of jury or witness duty is completed. No adverse employment action will be taken against employees due to their service as either a juror or witness in state or federal courts.

Voting Leave

Employees are encouraged to fulfill their civic responsibility by voting in local, state and national elections. If you are unable to reach your polling place outside of work hours, you may take up to **2 hours of unpaid time off** to vote. You are required to provide reasonable notice to your supervisor, and evidence of voting may be required.

Tennessee Specific Policies

Jury Duty and Witness Leave

If you are summoned to jury duty or to appear in court as a witness, QDP will continue your pay in accordance with FLSA and applicable law. You must notify your supervisor as soon as it is known you have been summoned.

To qualify for either jury or witness duty leave, you must submit a copy of the summons to your supervisor as soon as it is received. In addition, you must also submit to your supervisor a related proof of service when the period of jury or witness duty is completed. No adverse employment action will be taken against employees due to their service as either a juror or witness in state or federal courts.

Rest and Meal Breaks for Nonexempt Employees

QDP provides nonexempt employees with the opportunity to take a 10-minute rest period per 4 hours worked. Rest periods are counted as hours worked, and employees are not required to record their rest periods on their time records. You may schedule your rest periods at your discretion, unless instructed otherwise by a supervisor. Rest breaks may not be combined with or added on to meal breaks nor may they be used to come to work 10 minutes late or leave 10 minutes early. All 10-minute rest breaks must be taken on QDP premises.

You are also provided a 30-minute meal break. Employees are relieved of all duty during the meal break and should immediately notify management if denied the opportunity to take a full uninterrupted meal break. Record the beginning and ending of all meal periods on your time records. Your supervisor will usually assign your meal period.

Breaks and meal periods may be staggered and may change to meet the business needs of QDP.

Voting Leave

Employees are encouraged to fulfill their civic responsibility by voting in local, state and national elections. If you are unable to reach your polling place outside of work hours, you may take up to 3 hours of paid time off to vote. You are required to provide reasonable notice to your supervisor, and evidence of voting may be required.

Handbook Acknowledgement Form

Please visit the link below to confirm and acknowledge that you have received this Employee Handbook and understand the terms and provisions included.

<https://www.surveymonkey.com/r/NJC6LGD>