

Hillcrest Business Improvement Association

EMPLOYEE HANDBOOK

Employee Handbook

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Welcome

Welcome to Hillcrest Business Improvement Assoc. Whether you are a new member of our staff or a present employee, please retain this handbook for your reference. This personnel handbook is designed to summarize many of the Company's personnel policies and to acquaint you with many of the rules concerning your employment with the Company. The Company reserves the right to modify, rescind, delete or add to the provisions of this handbook from time to time at its sole and absolute discretion. The Company will attempt to provide you with notification of such changes when they occur. If you have questions or need further explanation of any subject in this booklet, do not hesitate to ask your supervisor. Hillcrest Business Improvement Assoc. is any equal opportunity employer and will not discriminate against any employee or applicant for employment.

Hillcrest Business Improvement Assoc.' growth is directly related to the loyalty and involvement of our people. We are all members of the Hillcrest Business Improvement Assoc. team, and our continued growth depends upon the success and ability of each individual.

Hillcrest Business Improvement Assoc. accepts its responsibility to provide the best working conditions, pay and benefits that our success will allow. Most important of all, we realize that it is our responsibility to provide a work environment that will assist with your growth and advancement within our company.

We encourage you to speak freely to our management. We, in turn, promise to listen and to respond.

Executive Director

Benjamin Nicholls

Our normal business hours are as follows:

Monday-Friday	9:00 am – 5:00 pm
Saturday	Closed
Sunday	Closed

Purpose of This Employee Handbook

This handbook is designed to acquaint you with Hillcrest Business Improvement Assoc. (also referenced as “the Company” in this document) and to give you a reference to answer many of your questions regarding your employment with us.

The contents of this handbook, however, constitute only a summary of the employee benefits, personnel policies, and employment regulations in effect at the time of publication. Other than the at-will agreement and agreement to arbitrate, this handbook should not be construed as creating any kind of “employment contract,” since the Company has the ability to add, change or delete wages, benefits, policies and all other working conditions as it deems appropriate without obtaining another person’s consent or agreement.

As provided in the Employee Acknowledgment and Agreement, nothing in this handbook creates or is intended to create a promise or representation of continued employment. Employment at the Company is employment at-will and may be terminated at the will of either the Company or the employee. Your status as an “at-will” employee may not be changed except in writing signed by you and the Executive Director of the Company. This handbook shall supersede any and all prior handbooks, written documents or oral representations, issued by the Company, that contradict the at-will nature of your employment.

Communication

Employee Relations Philosophy

We at Hillcrest Business Improvement Assoc. are dedicated to continuing what we believe to be an excellent employee relations program. We attempt to maintain good working conditions, competitive wages and benefits, open communications, and employee involvement.

Please tell us if you have a problem. We think you'll find our Company is receptive to your concerns. We are always looking for ways to make this a better place to work.

Conflict Resolution

If you have any questions concerning your job or if you encounter any work-related problems, we encourage you to discuss your questions or problems with us. We cannot address any of your questions, concerns or problems unless we know about them.

If you have a problem, please talk with your immediate supervisor as soon as possible. Your immediate supervisor is the person responsible for what goes on in your immediate work area and may be in the best position to help you.

If you prefer not to speak with your immediate supervisor, or if you feel your immediate supervisor cannot or has not satisfactorily resolved the problem, please ask to speak with Executive Director to assist you and work on solving your problem at any time. Finally, if you still feel the need to speak to other members of the management, we encourage you to speak to the Vice President.

Hillcrest Business Improvement Assoc. takes all concerns and problems brought to its attention seriously. We will work to address your concern or resolve your problem as soon as possible under the circumstances. You are encouraged to utilize this procedure without fear of reprisal.

Please note that Hillcrest Business Improvement Assoc. utilizes a system of binding arbitration for disputes with employees which cannot be resolved by other means, and which would otherwise be subject to resolution in court.

Company Policies and Practices

Introductory Period

For every new employee, the first ninety (90) days of employment is an introductory period. During this first ninety (90) days, your job performance, attendance, behavior and overall interest in your job will be observed. During this period, you may not be eligible for certain Company benefits. Employees who fail to demonstrate the commitment, performance and behavior expected by Hillcrest Business Improvement Assoc. may be terminated at any time during the introductory period. However, completion of the introductory period does not change or alter the “at-will” employment relationship. You continue to have the right to terminate your employment at any time, with or without cause or notice, and the Company has a similar right.

As a result of an excused absence during your introductory period or for other reasons identified by management, Hillcrest Business Improvement Assoc. may choose to extend your introductory period as necessary to give you a further opportunity to demonstrate your ability to do the job. If your introductory period is extended, you will be notified.

Equal Employment Opportunity

We are committed to providing equal employment opportunities to all employees and applicants without regard to race, religion, color, sex, gender identity, gender expression, sexual orientation, national origin, ancestry, citizenship status, uniform service member status, marital status, pregnancy, age, protected medical condition, disability or any other protected status in accordance with all applicable federal, state and local laws.

This policy extends to all aspects of our employment practices, including but not limited to, recruiting, hiring, firing, promoting, transferring, compensation, benefits, training, leaves of absence, and other terms and conditions of employment.

The Company is also committed to complying with the laws protecting qualified individuals with disabilities. The Company will provide a reasonable accommodation for any known physical or mental disability of a qualified individual with a disability to the extent required by law, provided the requested accommodation does not create an undue hardship for the Company and/or does not pose a direct threat to the health or safety of others in the workplace and/or to the individual. If you require an accommodation to perform the essential functions of your job, you must notify Executive Director. Once the Company is aware of the need for an accommodation, the Company will engage in an interactive process to identify possible accommodations that will enable the employee to perform the essential functions of the job.

If you believe that you have been treated in a manner not in accordance with these policies, please notify the Company immediately by speaking to Executive Director. The Company takes all complaints of discrimination seriously. You are encouraged to utilize this procedure without fear of reprisal.

Genetic Information Nondiscrimination Act – (GINA)

The Genetic Information Nondiscrimination Act (GINA) prohibits employers from discriminating against an employee based on genetic information. GINA broadly defines “genetic information” to include not only genetic test results, but also any information about manifestation of a disease or disorder in a family member, such as a family medical history. The company will keep all acquired genetic information confidential.

Policy Against Harassment

The Company is committed to providing a work environment that is free of unlawful harassment. In furtherance of this commitment, the Company strictly prohibits all forms of unlawful harassment, which includes harassment on the basis of race, religion, color, sex, gender identity, gender expression, sexual orientation, national origin, ancestry, citizenship status, uniform service member status, marital status, pregnancy, age, protected medical condition, disability or any other category protected by applicable state or federal law.

The Company’s policy against harassment applies to all employees of the Company, including supervisors and managers. The Company prohibits managers, supervisors and employees from harassing co-workers as well as the Company’s customers, vendors, suppliers, independent contractors and others doing business with the Company. In addition, the Company prohibits its customers, vendors, suppliers, independent contractors and others doing business with the Company from harassing our employees.

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination. Additionally, under California law, employees may be held personally liable for harassing conduct that violates the California Fair Employment and Housing Act.

Examples of Prohibited Sexual Harassment: Sexual harassment includes a broad spectrum of conduct including harassment based on gender (including gender identity and gender expression,) transgender and sexual orientation (meaning one’s heterosexuality, homosexuality, or bisexuality). By way of illustration only, and not limitation, some examples of unlawful and unacceptable behavior include:

- Unwanted sexual advances;
- Offering an employment benefit (such as a raise or promotion or assistance with one’s career) in exchange for sexual favors, or threatening an employment detriment (such as termination, demotion, or disciplinary action) for an employee’s failure to engage in sexual activity;
- Visual conduct, such as leering, making sexual gestures, displaying sexually suggestive objects or pictures, cartoons or posters;
- Verbal sexual advances, propositions, requests or comments;

- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes or invitations;
- Physical conduct, such as touching, assault, impeding or blocking movement;
- Physical or verbal abuse concerning an individual's actual sex or the perception of the individual's sex; and
- Verbal abuse concerning a person's characteristics such as vocal pitch, facial hair or the size or shape of a person's body, including remarks that a male is too feminine or a woman is too masculine.

Examples of What Constitutes Prohibited Harassment: In addition to the above listed conduct, the Company strictly prohibits harassment concerning race, color, religion, national origin, age or other protected characteristic. By way of illustration only, and not limitation, prohibited harassment concerning race, color, religion, national origin, age or other protected characteristic includes:

- Slurs, epithets, and any other offensive remarks;
- Jokes, whether written, verbal, or electronic;
- Threats, intimidation, and other menacing behavior;
- Other verbal, graphic, or physical conduct; and
- Other conduct predicated upon one or more of the protected categories identified in this policy.

If you have any questions about what constitutes harassing behavior, ask your supervisor or another member of management.

Harassment of our customers, clients, or employees of our customers, clients, vendors, suppliers or independent contractors by our employees is also strictly prohibited. Such harassment includes the types of behavior specified in this policy, including sexual advances, verbal or physical conduct of a sexual nature, sexual comments and gender-based insults. Any such harassment will subject an employee to disciplinary action, up to and including immediate termination.

What Should You Do If You Feel You Are or Have Been Harassed

If you feel that you are being harassed by another employee, supervisor, manager or third party doing business with the Company, you should immediately contact Executive Director. In addition, if you observe harassment by another employee, supervisor, manager or non-employee, please report the incident immediately to Executive Director. Appropriate action will also be taken in response to violation of this policy by any non-employee.

Your notification of the problem is essential to us. We cannot help resolve a harassment problem unless we know about it. Therefore, it is your responsibility to bring your concerns and/or problems to our attention so that we can take whatever steps are necessary to address the situation. The Company takes all complaints of unlawful harassment seriously and will not penalize you or retaliate against you in any way for reporting a harassment problem in good faith.

All complaints of unlawful harassment which are reported to management will be investigated as promptly as possible and corrective action will be taken where warranted. The Company prohibits employees from hindering internal investigations and the internal complaint procedure. All complaints of unlawful harassment which are reported to management will be treated with as much confidentiality as possible, consistent with the need to conduct an adequate investigation.

Employee Classification

Full-Time Employees

Full-time employees are employees who are normally scheduled to work at least forty (40) hours per week, as determined by Hillcrest Business Improvement Assoc. in its sole discretion.

Part-Time Employees

Part-time employees are employees who are normally scheduled to work fewer than forty (40) hours per week, as determined by Hillcrest Business Improvement Assoc. in its sole discretion.

Temporary Employees

Temporary employees are employees who are employed to work on special projects for short periods of time, or on a "fill-in" basis. These positions are not intended to be a part of continuing operations. The employment status of temporary employees will not be changed due to an extension of employment in excess of that originally planned. Temporary employees are not eligible for benefits.

If you have any questions concerning your employee classification or the benefits for which you qualify, please consult Executive Director.

Work Schedule

Your supervisor shall inform you of the hours you are to work. Due to changing needs, your actual work schedule may vary from time to time. If it does, you will be notified by your supervisor. Management retains the right to reassign employees to a different shift where it is necessary for the efficient operation of the Company.

Meal Periods

Except for certain exempt employees, all employees who work more than five (5) hours in a day are required to take a sixty (60) minutes duty-free meal period. An employee who works over ten (10) hours in a day is required to take a second thirty (30) minute duty-free meal period. Only in limited circumstances, discussed below, can meal periods be waived. Employees are completely relieved of their job responsibilities during their meal periods. For this reason, unless there is a valid written agreement for an on-duty meal period, employees must clock in and out for their meal periods, or record the beginning and ending time of the meal period on their timesheet every day. Employees may be required to sign a certification providing, among other things, that they have been provided all of their daily meal periods during the pertinent pay period.

Waiver of Meal Period. Employees may waive their meal periods only under the following circumstances: If employees will complete their work day in six (6) hours, employees may waive their meal period. Any time employees elect to waive a meal period they must submit a written request and receive prior written authorization from Executive Director. Employees may not waive meal or rest periods to shorten their work day or accumulate meal or rest periods for any other purpose.

No Company manager or supervisor is authorized to instruct or approve an employee's wish to forego a meal or rest period.

On Duty Meal Period. In limited situations, certain designated employees may be required to work an on-duty meal period due to the nature of the employee's duties. Unless the Executive Director directs you to take an on-duty meal period due to the nature of your job duties and you agree to an on-duty meal period in writing, you will not be permitted to take an on-duty meal period.

Rest Periods

The Company provides all non-managerial and other non-exempt employees with the opportunity to take a ten (10) minute rest period for every four (4) hours worked (or major fraction thereof), which should be taken so far as practicable in the middle of each work period. The Company generally will not authorize a rest period for employees whose total daily work time is less than three and one-half (3 ½) hours. Employees are authorized and permitted to schedule their rest periods at their own discretion under these guidelines unless instructed otherwise by a supervisor. Rest periods may not be combined with meal periods.

Rest periods are counted as hours worked, and thus, employees are not required to record their rest periods on their timesheets or time cards. Rest periods may not be waived to shorten your workday or be accumulated for any other purpose. Employees may be required to sign a certification providing, among other things, that they have been provided an opportunity to take all of their rest periods during the pertinent pay period.

Lactation Break

The Company will provide a reasonable amount of break time to accommodate a female employee's need to express breast milk for the employee's infant child. The break time should, if possible, be taken concurrently with other break periods already provided. Non-exempt employees should clock out for any time taken that does not run concurrently with normally scheduled rest periods, and such time generally will be unpaid. The Company will also make a reasonable effort to provide the employee with the use of a room or other location in close proximity to the employee's work area, for the employee to express milk in private.

Employees should notify their immediate supervisor or Executive Director to request time to express breast milk under this policy. The Company does, however, reserve the right to deny an employee's request for a lactation break if the additional break time will seriously disrupt operations.

Company Benefits

The Company provides the following benefits to eligible employees. The Company reserves the right to terminate or modify these plans at any time, for any reason, with or without notice to employees.

Workweek and Pay Period

For purposes of scheduling and timekeeping, we have defined the workweek as beginning every Sunday at 12:01 a.m. and ending every Saturday at 12:00 p.m.

Pay

We distribute paychecks on a semi-monthly bases on the 15th and end of month. Employees may elect direct deposit or pick up his or her, own paycheck on the normally scheduled pay day. If the scheduled payday falls on a holiday, you generally will be paid on the **preceding** business day. Any questions about the amount of your pay or deductions should be brought to the attention of the Executive Director immediately. Hillcrest Business Improvement Assoc. does not cash employee payroll checks.

Time sheets

Hourly employees shall document their hours worked on the HBA timesheet. For the first period of the month employees shall submit their timesheets on the 26th of the month for payment on the last work day of the month. For the second period of the month employees shall submit their timesheets on the 11th for payment on the fifteenth (15th). Time sheets must be submitted to the Executive Director for approval. Once approved the timesheet shall be forwarded to the Bookkeeper for payment.

Reimbursements for personal expenditures on behalf of the company

All requests for expense reimbursement from employees must be on Hillcrest Business Association Reimbursement Form with all accompanying receipts attached and signed by the Executive Director.

- Once approved by the Executive Director the Reimbursement form shall be forwarded to the Bookkeeper for payment as an account payable.
- Reimbursements shall always be paid by check and never from any funds kept in the office.

Paid Holidays

After completion of the introductory period (except as provided below), employees working 20 hours or more on a regular bases will receive the following days off with pay any time they fall on a normally scheduled workday for the employee:

New Year's Day
Martin Luther King
Washington's Birthday
Cesar Chavez Day
Memorial Day
Fourth of July
Labor Day
Veterans Day
Thanksgiving Day
Christmas Day

Whenever a holiday falls on a Saturday, the preceding Friday will be observed as a holiday. Whenever a holiday falls on a Sunday, the following Monday will be observed as a holiday.

To be eligible for holiday pay, you must work your last scheduled day before the holiday and the first scheduled day after the holiday, unless you are taking a pre-approved vacation on those days. Holiday pay does not count as "hours worked" for purposes of calculating an employee's entitlement to overtime during the week in which the holiday occurs.

Some departments may be open on a holiday due to business necessity. Employees will be given as much advance notice as possible if they are required to work on a holiday, although advance notice may not always be possible. Employees asked to work on a holiday will only receive their normal rate of pay for work performed on a holiday. Managerial employees paid on a salary basis generally will receive their regular salary each week, regardless of whether they work on a holiday or have completed their introductory period.

Vacation

Amount of Benefits: Regular Full-time Employees will accrue vacation upon their date of hire. Full-time employees will earn vacation benefits in accordance with the following schedule:

Employee's Continuous Length of Service	Amount of Per Pay Period Accrual	Amount of Vacation Days per Year	Maximum Accrual
Date of Hire - 4 Years	3.33 hours	80 hours	120 hours
4 + Years	5.00 hours	120 hours	160 hours

Consult Executive Director for detailed information on how the dollar amount of your vacation pay is calculated and the amount you are entitled to receive. The actual dollar amount that an employee receives while on vacation varies according to whether the employee is an hourly, commissioned or salaried employee.

Vacation time is given to employees so that they are better able to perform their jobs when they return. For this reason, we require employees to take their vacation and we do not permit employees to take pay in lieu of time off.

In addition, employees who are out on a leave of absence do not accrue vacation time while they are on their leave. Vacations must be scheduled and approved by the Executive Director at least two weeks in advance. The Company has the right to refuse an employee’s request for vacation if, in the Company’s sole judgment, scheduling the vacation at the time sought would be inconsistent with the smooth operation of the Company’s business. We pay all accrued but unused vacation pay when an employee leaves Hillcrest Business Improvement Assoc.

Paid Sick Leave

All full-time employees may take up to twelve (12) paid sick days per year.

Amount of Benefits: Employees will accrue sick time upon their date of hire. Full-time employees will earn sick time benefits in accordance with the following schedule:

Employee’s Continuous Length of Service	Amount of Per Pay Period Accrual	Amount of Sick Hours per Year	Maximum Accrual
Date of Hire +	4 hours	96 hours	96 hours

Sick leave is to be used for an illness of the employee, or for an illness of the employee’s child, parent, spouse, registered domestic partner, registered domestic partner’s child, or other persons designated by local, state or federal laws. The Company may require verification of illness from a physician. The sick leave year runs from your **from anniversary to anniversary**. This benefit does not accrue and cannot be carried over from one year to the next. Employees will not be compensated for unused sick days when they leave employment.

Medical Insurance

We offer medical insurance coverage for our eligible employees, beginning on the first day of the month after completion of your 90 day introductory period. The employee will pay a specific dollar amount each month for this insurance, depending on the level of coverage chosen. Remaining costs of insurance coverage are paid by the Company. The cost to the employee of this coverage is subject to change. Dependent coverage is also available at the employee’s expense through payroll deductions. Consult the applicable plan document for all

information regarding eligibility, coverage and benefits. It is the plan document that ultimately governs your entitlement to benefits.

State Mandated Insurance Benefit Programs

State Disability Insurance

By state law, we are required to deduct a certain amount from your pay to provide State Disability Insurance (S.D.I.). S.D.I. benefits are payable when you cannot work because of illness or injury unrelated to your employment. For information concerning these benefits, contact the Employment Development Department of the State of California, which administers the S.D.I. program.

Paid Family Leave

In addition, we are also required to withhold a certain percentage of your wages pursuant to the Family Temporary Disability Insurance Act (“FTDI”) in order to fund the Paid Family Care Leave Program. Paid Family Leave is another disability benefits program that is administered by California’s Employment Development Department which allows eligible employees to receive compensation for lost wages, for up to six (6) weeks in a twelve month period, if you take time off work to provide care for a seriously ill child, spouse, parent, or domestic partner, or to bond with a new child.

Despite its name, the Paid Family Leave is not a “leave” program; it does not provide you with any entitlement to leave beyond that to which you are entitled pursuant to Company policy. You will be required to use up to two weeks of accrued vacation prior to receiving PFL benefits during any twelve month period. You may also elect to use your sick leave during receipt of PFL benefits. You must notify the Company if you intend to file for FTDI benefits.

All claims for PFL benefits must be submitted directly to the Employment Development Department of the State of California. The Employment Development Department ultimately determines whether you receive PFL benefits based on the serious health condition of certain family members that require your care. You may not be eligible for PFL benefits if you are receiving State Disability Insurance, Unemployment Compensation Insurance, or Workers’ Compensation benefits.

Social Security

The Federal Insurance Contributions Act, which is better known as the Social Security Act, requires the Company to deduct a percentage of your pay, match it with an equal amount from the Company and send it to the government to be deposited with the Social Security Administration. If you are not familiar with the retirement and disability benefits provided under Social Security, check with your local Social Security Administration office for a more complete explanation.

Workers' Compensation Insurance

The Company pays the entire amount of the Workers' Compensation insurance premium, which provides benefits to employees who experience injury or illness that arises out of the course and scope of your employment. Benefit entitlements are governed by law, but it is essential that you report all work-related accidents, injuries, and illnesses immediately.

You should be aware that California law makes it a crime to knowingly file a false or fraudulent claim for Workers' Compensation benefits, or to submit knowingly false or fraudulent information in connection with any Workers' Compensation claim. Violation of this law is punishable by imprisonment of up to five years, a fine of up to \$150,000 or both. Filing a false or fraudulent Workers' Compensation claim is also a violation of Company policy, and will result in disciplinary action, up to and including immediate termination.

Suggestion Program

The Company wants and needs your ideas on how to more efficiently and profitably run the Company. If you have any suggestions that you think will add to our effectiveness, or that you think will reduce expenses, please present the idea in writing to your Manager. A cash bonus may be available to the person, whose idea is used, in the sole discretion of the Company's Executive Director.

Training and Educational Assistance

Employees may be given the opportunity to attend training or educational programs in the course of their employment. The Company may reimburse employees for the cost and certain expenses associated with attending an approved training or educational course. To receive reimbursement, the employee must (1) receive advanced written authorization from **the Executive Director** to attend the course and (2) successfully complete the course.

Employees should contact **the Executive Director** before registering for any training or other educational course to learn whether the program will be covered under the Company's policy. The Company is not responsible for the payment or reimbursement of any costs or expenses associated with an employee's attendance at a lecture, training program or other educational program, if the employee fails to receive advanced written authorization and the employee fails to successfully complete the course.

Civic Duties

Hillcrest Business Improvement Assoc. encourages each of its employees to accept his or her civic responsibilities. We are a good corporate citizen, and we are pleased to assist you in the performance of your civic duties.

Jury Duty: If you receive a call to jury duty, please notify your supervisor immediately so he or she may plan the department's work with as little disruption as possible. Unless otherwise required by state or federal law, time spent serving on jury duty will be unpaid.

Employees who are released from jury service before the end of their regularly scheduled shift or who are not asked to serve on a jury panel are expected to call their supervisor as soon as possible and report to work if requested.

Witness Duty: If you receive a subpoena to appear in court, please notify your supervisor immediately. You are expected to return to work as soon as your service as a witness is completed.

Voting: If you would like to vote for a public election, but do not have sufficient time to vote during non-work hours, you may arrange to take up to two hours off from work with pay to vote. To receive time off for voting, you must obtain advanced approval from your supervisor and must take the time off to vote either at the beginning or end of your work shift. The Hillcrest Business Improvement Assoc. reserves the right to request a copy of your voter's receipt following any time off to vote.

Leave for Victims of Felony Crimes

To the extent required by law, employees who are victims of certain, specified felony crimes, or who are immediate family members of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim, may receive unpaid time off from work to attend judicial proceedings related to that crime. To take this leave, the employee must provide the Company in advance with a copy of the notice of the proceeding. If advanced notice is not possible, the employee must provide the Company with appropriate documentation evidencing the employee's attendance at the judicial proceeding upon returning back to work.

Bereavement Leave

An employee may use any available earned unused vacation benefit for bereavement leave.

Military Leave Of Absence

Employees who require time off from work to fulfill military duties will be treated in accordance with applicable requirements of state and federal laws. You are expected to notify the Company of upcoming military duty by providing your supervisor with a copy of your orders as soon as possible.

Standards of Conduct

Company Policies

This section of your handbook discusses your responsibilities to Hillcrest Business Improvement Assoc. as an employee. Please thoroughly familiarize yourself with these policies and apply them in your work. The result of your effort will be a more efficient, productive and pleasant atmosphere for you, your co-workers and our customers.

The following policies focus on basic rules that may not be violated under any circumstances. Violation of any of these basic rules, the policies in this handbook, or any other policy of the Company may lead to discipline, up to and including immediate termination. Obviously, this list is not all inclusive and there may be other circumstances for which employees may be disciplined, up to and including immediate termination. If you have any questions about these basic rules, or what we expect of you as one of our employees, please discuss them with your supervisor.

These rules do not alter the at-will nature of your employment. You have the right to terminate your employment at any time, with or without cause or notice, and the Company has a similar right.

Absenteeism and Tardiness

Each of our employees plays an important role in getting the day's work done. Therefore, each employee is expected to be at his or her work station on time each day and to remain there throughout his or her scheduled hours. Absenteeism or tardiness, even for good reasons, is disruptive of our operations and interferes with our ability to satisfy our customers' needs. Excessive absenteeism or tardiness, excused or unexcused, can result in discipline, up to and including termination.

If you are going to be late or absent from work for any reason, you must personally notify your supervisor as far in advance as possible so that proper arrangements can be made to handle your work during your absence. Of course, some situations may arise in which prior notice cannot be given. In those circumstances, you are expected to notify your supervisor as soon as possible. Leaving a message does not qualify as notifying your supervisor -- you must personally contact your supervisor. If you are required to leave work early, you must also personally contact your supervisor and obtain his/her permission.

When absence is due to illness, the Company may require appropriate medical documentation.

Absences of 3 consecutive days whereby you do not notify your supervisor either via phone or in person will be considered as a voluntary resignation.

Alcohol and Drug Policy

Purpose

Alcohol and drug abuse ranks as one of the major health problems in the United States. Our employees are our most valuable resource, and their safety and health is of paramount concern. We are committed to providing a safe working environment to protect our employees and others; to provide the highest level of service; and to minimize the risk of accidents and injuries.

General Policy

Each Hillcrest Business Improvement Assoc. employee has a responsibility to co-workers and the public to deliver services in a safe and conscientious manner. Continuing research and practical experience have proven that even limited quantities of narcotics, abused prescription drugs or alcohol can impair your reflexes and judgment. This impairment, even when not readily apparent, can have catastrophic results. For these reasons, we have adopted a policy that all employees must report to work and remain completely free from the presence of drugs or under the influence of alcohol.

Drug Use/Distribution/Possession/Impairment

All employees are prohibited from manufacturing, cultivating, distributing, dispensing, possessing or using illegal drugs or other unauthorized or mind-altering or intoxicating substances while on Hillcrest Business Improvement Assoc. property (including parking areas and grounds), or while otherwise performing their work duties away from Hillcrest Business Improvement Assoc. Included within this prohibition are lawful controlled substances, which have been illegally or improperly obtained. This policy does not prohibit the possession and proper use of lawfully prescribed drugs taken in accordance with the prescription.

Employees are also prohibited from having any such illegal or unauthorized controlled substances in their system while at work, and from having excessive amounts of otherwise lawful controlled substance in their systems. This policy does not apply to the authorized dispensation, distribution or possession of legal drugs where such activity is a necessary part of an employee's assigned duties.

Alcohol Use/Distribution/Possession/Impairment

All employees are prohibited from distributing, dispensing, possessing or using alcohol while at work or on duty. Furthermore, off-duty alcohol use, while generally not prohibited by this policy, must not interfere with an employee's ability to perform the essential functions of his/her job.

Prescription Drugs

The proper use of medication prescribed by your physician is not prohibited; however, we do prohibit the misuse of prescribed medication. Employees' drug use may affect their job performance, such as by causing dizziness or drowsiness. Employees may disclose such

prescriptions on the request form at the drug testing facility. It is the employee's responsibility to determine from his/her physician whether a prescribed drug may impair job performance.

Notification of Impairment

It shall be the responsibility of each employee who observes or has knowledge of another employee in a condition which impairs the employee in the performance of his/her job duties, or who presents a hazard to the safety and welfare of others, or is otherwise in violation of this policy, to promptly report that fact to his/her immediate supervisor.

Who is Tested

Hillcrest Business Improvement Assoc. shall conduct drug tests in the following circumstances:

- a. Application for Employment. Job applicants must submit to a drug test. Refusal to submit to a drug test or a positive confirmed drug test may be used as a basis for refusal to hire the applicant.
- b. Reasonable Suspicion. Employees may be required to submit to drug/alcohol screening whenever the Company has a reasonable suspicion that they have violated any of the rules set forth in this policy. Reasonable suspicion may arise from, among other factors, supervisory observation, co-worker reports or complaints, performance decline, attendance or behavioral changes, results of drug searches or other detection methods, or involvement in a work related injury or accident.
- c. Other Bases for Testing. Employees in safety sensitive positions may be tested on a random or periodic basis. In addition, various job classifications are categorically subject to random or periodic drug testing to the extent permitted by applicable state and federal laws.

Discipline

Violation of this policy or any of its provisions may result in discipline up to and including termination of employment.

Enforcement Policy

In order to enforce this policy and procedures, Hillcrest Business Improvement Assoc. may investigate potential violations and require personnel to undergo drug/alcohol screening, including urinalysis, blood tests or other appropriate tests and, where appropriate, searches of all areas of the Company's physical premises, including, but not limited to work areas, personal articles, employees' clothes, desks, work stations, lockers, and personal and company vehicles. Employees will be subject to discipline up to and including discharge for refusing to cooperate

with searches or investigations, to submit to screening or for failing to execute consent forms when required by supervision.

Investigations/Searches

Where a manager or supervisor has reasonable suspicion that an employee has violated the substance abuse policy, the supervisor, or his designee, may inspect vehicles, lockers, work areas, desks, purses, briefcases, and other locations or belongings without prior notice, in order to ensure a work environment free of prohibited substances. An employee may be asked to be present and remove a personal lock. Locked areas or containers do not prevent the Company from searching that area, thus employees should have no expectation of privacy for personal belongings brought on Company premises. Where the employee is not present or refuses to remove a personal lock, the Company may do so for him or her, and compensate the employee for the lock. Any such searches will be coordinated with a representative of management. The Company may use unannounced drug detection methods to conduct searches.

What Happens When An Employee Tests Positive For Prohibited Substances

All employees who test positive in a confirmed substance test will be subject to discipline up to and including termination.

Respect

Every employee should display positive behavior towards their job, coworkers, management, customers, and vendors/suppliers. A bad behavior creates a difficult working environment and prevents the Company from providing quality service to our customers. Failing to treat employees, customers, or vendors with respect or engaging in other inappropriate conduct toward others may result in disciplinary action up to and including termination.

Bulletin Boards

Hillcrest Business Improvement Assoc. may maintain a bulletin board(s) as a source of information. This bulletin board is to be used solely to post information approved by the Company regarding Company policies, governmental regulations, and other matters of concern to all employees and related to the employees' employment by the Company. No information may be placed on these bulletin boards without the prior approval of Executive Director.

Cellular Phones, PDAs, And Other Handheld Electronic Devices

While at work, it is anticipated that employees will utilize their personal cell phone devices in the implementation of their job duties. The HBA may provide a \$100 monthly reimbursement for the use of cell phones for company purposes. The reimbursement shall be requested monthly using the HBA reimbursement form. A reasonable standard is to limit personal calls during work time to no more than one per day as needed. The Company will not be liable for the loss of handheld devices brought into the workplace.

Special Responsibilities for Managerial Staff

As with any policy, management employees are expected to serve as role models for proper compliance with the provisions above and are encouraged to regularly remind employees of their responsibilities in complying with this policy.

Company Keys/Entry Cards

Each Hillcrest Business Improvement Assoc. employee to whom a key and/or entry card is given is responsible for proper use of that key and/or entry card and will be required to sign for it. A lost or misplaced key and/or entry card must be reported immediately to your Department Manager. Never duplicate or loan a key and/or entry card to anyone for any reason. See your Department Manager if you need another key and/or entry card. All keys and/or entry cards must be turned in to your Department Manager upon separation from the Company. Employees who take a leave of absence must turn in any keys and/or entry cards prior to beginning their leave.

Computers, E-Mail, Voice Mail and the Internet

The following policy governs the use of all Company-owned computers, personal computers used for Company business, e-mail and voice mail systems, and Internet access via Company computers and/or data lines. Personal computers used for Company business include laptops or home computers that are connected with the Company's network on a regular or intermittent basis.

All Company computers, e-mail and voice mail facilities, and Internet access accounts are the Company's property to be used to facilitate the business of the Company. All information that is temporarily or permanently stored or transmitted with the aid of the Company's computers, e-mail and Internet remain the sole and exclusive property of the Company. As such, employees should have no expectation of privacy in connection with their access and use of such equipment and systems.

Employees should not use or access the Company's computers, voice mail, e-mail and Internet systems in any manner that is unlawful, inappropriate or contrary to the Company's best interests. These electronic tools are provided to assist employees with the execution of their job duties and should not be abused.

Company Property

All software that has been installed on Company computers and personal computers used for Company business is Company property and may not be used for any non-business, unlawful or improper purpose. In addition, all data temporarily or permanently collected, downloaded, uploaded, copied and/or created on Company computers, and all data temporarily or permanently collected, downloaded, uploaded, copied and/or created on personal computers used for Company business that relate in any manner to the Company's business are the exclusive property of the Company and may not be copied or transmitted to any outside party or used for any purpose not directly related to the business of the Company.

Upon termination of employment, an employee shall not remove any software or data from Company-owned computers and shall completely remove all data collected, downloaded and/or created on personal computers used for Company business that relate in any manner to the Company's business. Upon request of the Company, a terminating employee shall provide proof that such data has been removed from all personal computers used for Company business.

Proper Use

Employees are strictly prohibited from using Company computers, Company e-mail and Company voice mail systems, and Company Internet access accounts, or personal computers used for Company business, for any improper purpose. The Company's Anti-Discrimination Policy and Policy Against Harassment extend to the use of the Company's computers, e-mail, voice mail and Internet systems and personal computers used for Company business. Any employee who uses the Company's computers, e-mail, voice mail and Internet systems in violation of these policies will be subject to discipline, up to and including immediate termination.

It is not possible to identify every type of inappropriate or impermissible use of the Company's computers, e-mail, voice-mail and Internet systems. Employees are expected to use their best judgment and common sense at all times when accessing or using the Company's computers, e-mail, voice-mail and Internet systems. The following conduct, however, is strictly prohibited:

- Employees may not transmit, retrieve, download, or store inappropriate messages or images relating to race, religion, color, sex, national origin, citizenship status, age, disability, or any other status protected under federal, state and local laws.
- Employees may not use the Company's computers, e-mail, voice mail and Internet systems in any way that violates the Company's policy against unlawful harassment, including sexual harassment. By way of example, employees may not transmit messages that would constitute sexual harassment; may not use sexually suggestive or explicit screen savers or backgrounds; may not access, receive, transmit or print pornographic, obscene or sexually offensive material or information; and may not transmit, retrieve, download, store or print messages or images that are offensive, derogatory, defamatory, off-color, sexual in content, or otherwise inappropriate in a business environment. Employees are also prohibited from making threatening or harassing statements to another employee, or to a vendor, customer, or other outside party.
- Employees are strictly prohibited from altering, transmitting, copying, downloading or removing any proprietary, confidential, trade secret or other information of the Company, or of the Company's customers. In addition, employees may not alter, transmit, copy or download proprietary software, databases and other electronic files without proper and legally binding authorization.

- Employees should not download, transmit, or retrieve messages from multi-network gateways, real-time data and conversation programs including, but not limited to, instant messaging services (e.g. Facebook Messenger and Twitter), Internet chat rooms and bulletin boards during their work shift, unless such activity is necessary for business purposes.
- Employees using social media sites are prohibited from posting or displaying comments about customers, coworkers or supervisors that are vulgar, obscene, threatening, intimidating, harassing or a violation of the Company's workplace policies against discrimination, harassment or hostility on account of race, religion, color, sex, gender identity, gender expression, sexual orientation, national origin, ancestry, citizenship status, uniform service member status, marital status, pregnancy, age, protected medical condition, disability or any other protected status in accordance with all applicable federal, state and local laws.
- Employees using social media sites should confine their social networking to matters unrelated to the company to ensure compliance with securities regulations and other matters. Employees are prohibited from using or disclosing confidential and/or proprietary information, including personal health information about customers, and "embargoed information" such as launch and release dates, pending reorganizations or other confidential company matters. Additionally, employees are encouraged to use all available privacy and security settings and precautions to protect themselves from unnecessary or unintended personal information being divulged.
- Employees may not use or allow another individual to use the Company's computers, e-mail and Internet systems for any purpose that is either damaging or competitive with the Company or detrimental to its interests.
- Employees are strictly prohibited from using the Company's computers, e-mail or Internet systems in any manner that violates the federal Anti-SPAM law.
- Employees must honor and comply with all laws applicable to trademarks, copyrights, patents and licenses to software and other electronically available information. Employees may not send, receive, download, upload or copy software or other copyrighted or otherwise legally protected information through the Company's computers, e-mail and Internet systems without prior authorization.
- Employees may not solicit personal business opportunities or conduct personal advertising through the Company's computers, e-mail or Internet systems.
- Employees may not engage in gambling of any kind, monitor sports scores, or play electronic games through the Company's computers, e-mail or Internet systems.

- Employees may not engage in day trading, or otherwise purchase or sell stocks, bonds or other securities or transmit, retrieve, download or store messages or images related to the purchase or sale of stocks, bonds or other securities through the Company's computers, e-mail or Internet systems.

Unsolicited E-mail

Electronic mail has become an extremely important and efficient means of communication, particularly in the business world. However, the abuse of electronic mail systems, as well as the receipt and transmission of unsolicited commercial electronic mail places an incredible drain on the Company's servers and network, and imposes significant monetary costs to filter and remove unsolicited e-mails from our system. To eliminate the receipt and transmission of unsolicited commercial electronic mail, the Company complies with the federal "CAN-SPAM" law. All employees are responsible for complying with the federal Anti-Spam regulations and therefore may not use the Company's computers, servers, network or e-mail system to:

- Transmit unsolicited commercial electronic mail promoting the Company's business, goods, products and services without prior authorization.
- Transmit unsolicited commercial electronic mail promoting the employee's personal business, goods, products and services.
- Transmit commercial electronic messages to the Company's customers who have elected to "opt-out" of receiving the Company's electronic advertisements.
- Initiate a transmission of a commercial e-mail message that contains or is accompanied by false or misleading information

In addition, to help the Company eliminate the receipt of unsolicited commercial e-mail from outside parties advertising various websites, products or services and to further prevent the receipt of offensive or undesired outside e-mail, you should:

- Not use your Company computer to access any website not directly related to Company business; and
- Delete unfamiliar or suspicious e-mail from outside the Company without opening it.

Monitoring

Employees should expect that any information created, transmitted, downloaded, received or stored in Company computers or personal computers used for Company business, or on the Company's voicemail system may be accessed by the Company at any time without prior notice. Employees should not assume that they have an expectation of privacy or confidentiality in such messages or information (whether or not such messages or information are password-protected), or that deleted messages are necessarily removed from the system.

Employees must provide all passwords and access codes for Company computers or personal computers used for Company business to their supervisor. Changing passwords or creating new passwords without notifying your supervisor is strictly prohibited.

System Integrity

Because outside disks may contain viruses, employees are not permitted to use personal disks or copies of software or data in any form on any Company computer without first (1) obtaining specific authorization from Executive Director, and (2) scanning the data for viruses. Any employee who introduces a virus into the Company's system via use of personal software or data shall be deemed guilty of gross negligence and/or willful misconduct and may be held responsible for the consequences, including cost of repair and lost productivity.

Similarly, information is not to be downloaded directly from the Internet onto the Company's computer system. All information downloaded from the Internet is to be placed on a disk and scanned for viruses before being introduced into the Company's system.

Enforcement

Violations of this policy may result in disciplinary action, up to and including termination of employment. Employees who damage the Company's computer system through its unauthorized use may additionally be liable for the costs resulting from such damage. Employees who misappropriate copyrighted or confidential and proprietary information, or who distribute harassing messages or information, may additionally be subject to criminal prosecution and/or substantial civil money damages.

Confidentiality

All records and files of the Company are property of the Company and considered confidential. No employee is authorized to copy or disclose any file or record. Confidential information includes all letters or any other information concerning transactions with customers, customer lists, payroll or personnel records of past or present employees, financial records of the Company, all records pertaining to purchases from vendors or suppliers, correspondence and agreements with manufacturers or distributors and documents concerning operating procedures of the Company. All telephone calls, letters, or other requests for information about current or former employees should be immediately directed to Executive Director or the Executive Director. In addition, Executive Director and the Executive Director are the only authorized employees to release, disseminate or communicate any necessary information regarding the Company, or to make a public comment regarding the Company, to individuals or entities outside of the Company, unless an employee obtains prior written authorization from the Company.

Internship

Program Managers and the Executive Director may establish paid internship programs with students to the extent that budget constraints will allow. Internship arrangements must include a written agreement or understanding between the student and Hillcrest Business Association (and preferably the university) outlining the expectations and

responsibilities of each party and the level of compensation. Additionally, a copy of any independent study paper or internship plan must be on file with and agreed to in writing by the Executive Director if college credit hours are to be awarded to the student as part of the internship. Any internship established by a particular Program Manager must be overseen and supervised by the Executive Director. There shall be no unpaid interns.

Employment of Board Members

Current Board Members of Hillcrest Business Association are not eligible for employment with Hillcrest Business Association. Board Members must resign six months prior to applying for a position at Hillcrest Business Association.

Conflict Of Interest

It is our policy to forbid employees from engaging in any other business which competes with the Company. Company policy also forbids a financial interest in an outside concern, which does business with or is a competitor of the Company (except where such ownership consists of securities of a publicly owned corporation regularly traded on the public stock market). Rendering of directive, managerial, or consulting services to any outside concern which does business with or is a competitor of the Company, except with the knowledge and written consent of the Executive Director of Hillcrest Business Improvement Assoc., is also prohibited. If you think that there is a possibility that any business venture of yours may conflict with this policy, it is your responsibility to notify the Executive Director and obtain his/her approval in writing.

Courtesy

Courtesy is the responsibility of every employee. All employees are expected to be courteous, polite and friendly to our customers, vendors and suppliers, as well as to their fellow employees. No one should be disrespectful or use profanity or any other language, which injures the image or reputation of the Company.

Damage to Property

We have made a tremendous investment in our building and equipment in order to better serve our customers and to make your job easier. Deliberate or careless damage to the Company's property, as well as damage to your co-workers' or customers' property will not be tolerated.

No employee should misuse, or use without authorization, equipment, vehicles or other property of customers, vendors, other employees of the Company.

Facsimile and Copy Machines

The facsimile and copy machines are for legitimate business purposes only. Employees are prohibited from using these machines for the purpose of transmitting, receiving or copying materials, which may be deemed offensive or insulting. Any employee who receives such materials via facsimile transmission, the mail, or from any other source, should report the transmission immediately to the Executive Director.

Fighting, Threats, and Weapons

We do not allow fighting, threatening words or conduct. Weapons of any kind are strictly prohibited and not permitted on Company premises.

Fraud, Dishonesty and False Statements

No employee or applicant may ever falsify any application, medical history record, invoice, paperwork, time sheet, time card, investigative questionnaires or any other document. Any employee found to have falsified or made material misrepresentations or omissions on any such document will be subject to immediate termination of employment. If you observe any such violations, please report them to the Executive Director immediately.

Gambling

Gambling is prohibited on Company property, or through the use of the Company's property.

Gifts And Gratuities

Employees may not request or accept any gift or gratuity of any kind from a customer or supplier without the express written authorization of the Executive Director

Hazardous and Toxic Materials

If your job requires that you use hazardous or toxic materials, you are expected to comply with all laws, rules and regulations concerning their safe handling and disposal. If you have any questions about the materials you work with or the proper safety or disposal procedures to follow, please discuss them with your supervisor before taking any action.

Housekeeping

Employees are responsible for maintaining their own work areas in a presentable manner. At the close of each business day, ensure that all equipment is cleaned and put away. All stationery and miscellaneous supplies should be removed from benches/furniture tops. No paperwork may be left out overnight. Employees will not litter or discard such items as cigarettes or wrappers on the premises. Remember, we want our customers to look at us as a professional, neat organization.

Work areas must be maintained in a clean, healthy and orderly fashion to prevent unsafe conditions and potential accidents. If you observe conditions or equipment, which are

potentially dangerous, report them immediately to your supervisor. It is each employee's responsibility to make sure the work area is clean and orderly at the completion of the scheduled work shift.

Illegal Activity

Employees are not permitted to engage in any kind of illegal activity on duty or on Hillcrest Business Improvement Assoc.'s property, or while off the job which reflects detrimentally on the Company's reputation. This includes, but is not limited to, wearing Company logoed apparel and paraphernalia outside of work.

Insubordination

We all have duties to perform and everyone, including your supervisor, must follow directions from someone. It is against our policy for an employee to refuse to follow the directions of a supervisor or management official or to treat a supervisor or management official in an insubordinate manner in any respect. Employees must fully cooperate with Company investigations into potential misconduct. Refusal to fully disclose information in the course of a Company investigation constitutes insubordination and will not be tolerated.

Meetings

From time to time, individual or staff meetings may be held for the purpose of providing instruction, training, or counseling or to review Company operating policies. You are required to attend all Company meetings involving your department or which you have been asked to attend.

Off-Duty Use of Facilities

Employees are prohibited from being on the Company premises or making use of Company facilities while not on duty. Employees are expressly prohibited from using Company facilities, Company property or Company equipment for personal use.

Off-Duty Social and Recreational Activities

During the year, the Company may sponsor social or recreational activities for its employees. Your attendance at such social activities, however, is completely voluntary and is not work-related. Neither the Company nor its insurer will be liable for the payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity that is not part of the employee's work-related duties.

Outside Employment

There have been times when most of us have had the opportunity or the need to have two jobs at one time. It is important that other employment, as well as outside interests, do not interfere in any way with an employee's job with the Hillcrest Business Improvement Assoc. You should be careful that extra hours of work do not affect the safe operation of your job by

leaving you tired and slow to react. Also, if your second job could create a potential conflict of interest, for example, working for a competitor, you are required to obtain written approval, in advance, from the Executive Director.

Overtime

Hillcrest Business Improvement Assoc. may periodically schedule overtime or weekend work in order to meet production needs. We will attempt to give as much advance notice as possible, and we expect that all employees who are scheduled to work overtime will be at work, unless excused by their supervisor. Otherwise, all overtime work must be pre-approved by your supervisor or Department Manager. Working overtime without your supervisor's or Department Manager's approval may result in discipline, up to and including termination.

Parking

So that we will have sufficient and convenient parking for our customers, we require all of our employees to park their vehicles in the area designated for employee parking. If you have any questions as to where you should park your vehicle, please ask your Department Manager.

Personal Appearance and Behavior

Appearance Requirements

All employees are expected to present themselves in a professional manner while in the office during normal business hours, while representing Hillcrest Business Association outside of the office, or while performing duties and responsibilities (visible to any part of the general public) related to the employee's position.

Shorts, culottes, spandex, coveralls, jumpsuits, tank tops, low cut or sleeveless blouses, sweats, or other "casual streetwear" are never appropriate for full-time regular employees in the office environment during the hours of a normal business day while performing responsibilities on behalf of Hillcrest Business Association.

Footwear shall be appropriate and customary for the required business/professional attire chosen by the employee. Any jewelry worn must be minimal, understated, and appropriate for the required business/professional attire chosen by the employee.

Hair, beards and mustaches must be neat, clean and well maintained.

Personal Mail

All mail which is delivered to Hillcrest Business Improvement Assoc. is presumed to be related to our business. Mail sent to you at the Company will be opened by office personnel and routed to your department. If you do not wish to have your correspondence handled in this manner, please have it delivered to your home.

Company postage meters and letterhead may not be used for personal correspondence.

Personal Telephone Calls and Visits

We have a limited number of telephone lines at Hillcrest Business Improvement Assoc. and it is essential that we keep those lines open for business calls. Therefore, we ask our employees to refrain from making or receiving personal calls except in emergencies. Long distance business calls must be cleared by your Department Manager unless your job duties include the routine making of long distance calls. Under no circumstances are employees permitted to use Company telephones to call "900" lines or similar pay-per call services. Employees will be personally liable for unauthorized calls and will be subject to discipline, up to and including immediate termination.

Personnel Records

Recognizing the confidential nature of the information in your personnel record, Hillcrest Business Improvement Assoc. limits access to the personnel records to you and those with proper authorization or pursuant to legal process.

No documents contained in your personnel file will be released without your consent, except pursuant to legal process. Any records of medical evaluation results will be maintained in a separate file, in accordance with legal requirements, and may only be reviewed by authorized individuals with the approval of Executive Director.

You may review your own personnel file with Executive Director present to answer any questions, and you may request copies of all documents that you have previously signed or received. You may also correct or clarify personal information contained in your personnel file. Additionally, a manager may review your personnel file if you have a current reporting relationship to that manager or have been interviewed and are being considered for a position reporting to that manager. Your personnel records also are subject to review by investigative agencies, or during periodic internal audits conducted by the Company.

Poor Performance

Employees are expected to make every effort to learn their job and to perform at a level satisfactory to the Company at all times. The Company may conduct periodic performance appraisals which may be reviewed with the employee. Merit increases are never guaranteed in conjunction with performance appraisals. Failure to perform job functions to standard or at a satisfactory level may result in disciplinary action up to and including termination.

Publicity

In the course of advertising, public relations or other similar conduct for business purposes, the Company may utilize media resources. The Company may use your photograph, picture, and/or voice transcription for promotion or advertising at any time without compensation.

Safety

It is our policy to promote safety on the job. The health and well-being of our employees is foremost among our concerns. For this reason, you are urged to follow common sense safety

practices and correct or report any unsafe condition to your Department Manager. Each employee shall be instructed regarding the Company's injury prevention program. Each employee is expected to assist Hillcrest Business Improvement Assoc. in maintaining safe working conditions. Safety is a state of mind and requires constant vigilance and common sense. Safety is everyone's responsibility. Remember: SAFETY FIRST. Please refer to the Company's Injury and Illness Prevention Program (IIPP) which can be viewed at:

3737 Fifth Ave. #202, San Diego, CA92103

All accidents -- including those which do not involve serious injury and those involving customers -- must be reported immediately to your Department Manager. It is only through full knowledge of every accident that the Company can become a safer, healthier place to work for everyone.

Searches and Inspections

In order to protect the safety and property of all of our employees, the Company reserves the right to inspect employees' lockers, desks, cabinets, briefcases, toolboxes, purses, personal computers, personal motor vehicles and any other personal belongings brought onto Company property. Employees are expected to cooperate in any search. Failure to cooperate will result in disciplinary action up to and including termination of employment.

All files and records stored on Company computers are the property of the Company and may be inspected at any time. Company computers are for business purposes only and should not be used for non-work related matters. Use of Company computers for unauthorized purposes is prohibited. Electronic mail and voice mail messages are to be used for business purposes only and are considered Company property. The Company may access its computers at anytime with or without prior notice and the employee should not assume that any data stored in Company computers is confidential.

Sleeping

Everyone needs to be fully alert while on the job in order to protect the safety of all employees and to properly serve our customers. Therefore, we cannot tolerate sleeping or inattention on the job.

Smoking

Smoking is prohibited in all Company buildings and vehicles. Smoking must be confined to designated outdoor areas. Of course, smoking is prohibited in all areas where paint and flammable materials are present. As smoking in the presence of some customers and co-workers may be offensive to them, we expect that employees who choose to smoke will exercise good judgment as to when and where they smoke.

Solicitation - Distribution Policy

Our main job at Hillcrest Business Improvement Assoc. is to give our customers the best service possible. In order to allow employees to provide our customers and their jobs with

their undivided attention, the solicitation by an employee of another employee for the support of any organization is prohibited during the working time of either employee. In addition, the distribution of advertising materials, handbills or other literature is prohibited in all working areas and sales areas at all times. E-Mail, facsimile machines, and voice mail may not be used to advertise or solicit employees. Similarly, non-employees may not come on the Company's property at any time to solicit for any cause or distribute material or literature of any kind for any purpose.

Theft

Our society has laws against theft and so do we. To protect you, your co-workers and Hillcrest Business Improvement Assoc., we reserve the right to inspect all purses, briefcases, packages, lockers and vehicles on the Company's property. If you must remove Company property from the premises, you must obtain written permission in advance from your supervisor.

Timekeeping Procedures

Unless otherwise notified, each employee is required to record his or her hours of work for Hillcrest Business Improvement Assoc. either through the use of a time card or through a hand written record. Accurately recording all of your time is required in order to be sure that you are paid for all hours worked as required by the wage and hour laws. You will be informed your first day on the job whether you are required to keep your time by a time clock, a time sheet or some other method. Whatever your method of timekeeping, you are expected to follow the established procedures in keeping an accurate record of your hours worked.

Any changes or corrections to your time card or time record must be initialed by you and your Department Manager. Under no circumstances may any employee punch or record another employee's time card.

Unauthorized Interviews and the Media

As a means of protecting yourself and the Company, no unauthorized interviews are permitted to be conducted by individuals representing themselves as attorneys, peace officers, investigators, reporters, or someone who wants to "ask a few questions." If you are asked questions about the Company or its current or former employees, you are to refer that individual(s) to Executive Director or Executive Director. A decision will then be made as to whether that individual may conduct any interview and they will be introduced to you by Executive Director or Executive Director with a reason for the questioning. Similarly, if you are aware that an unauthorized interview is occurring at the Company, immediately notify Executive Director or the Executive Director.

Workplace Violence Policy

Hillcrest Business Improvement Assoc. has a zero tolerance for violent acts or threats of violence against our employees, applicants, customers or vendors.

No employee should commit or threaten to commit any violent act against a co-worker, applicant, customer or vendor. This includes discussions of the use of dangerous weapons, even in a joking manner or bringing any weapon onto Company property.

Any employee who is subjected to or threatened with violence by a co-worker, customer or vendor, or is aware of another individual who has been subjected to or threatened with violence, is to report this information to his/her supervisor or manager as soon as possible.

All threats should be taken seriously. Please bring all threats to our attention so that we can deal with them appropriately.

All threats will be thoroughly investigated, and all complaints which are reported to management will be treated with as much confidentiality as possible.

Changes In Status

Changes in Personnel Records

To keep your personnel records up to date, to ensure that the Company has the ability to contact you, and to ensure that the appropriate benefits are available to you, employees are expected to notify the Company promptly of any change of name, address, phone number, number of dependents, or other applicable information.

Outside Inquiries Concerning Employees

All inquiries concerning employees from outside sources should be directed to Executive Director, including but not limited to income/employment verification and work references. No information should be given regarding any employee by any other employee or manager to an outside source.

Notice of Resignation

In the event you choose to resign from your position, we ask that you give us at least two weeks written notice. You are responsible for returning Company property in your possession or for which you are responsible.

Exit Interview

Any employee leaving Hillcrest Business Improvement Assoc. may be required to attend an exit interview conducted by the employee's Department Manager or Executive Director. The purpose of the interview is to determine the reasons for termination and to resolve any questions of compensation, Company property or other matters related to the termination.

Conclusion

This handbook highlights your opportunities and responsibilities at Hillcrest Business Improvement Assoc. It is a guide to your bright future here. By always keeping the contents of the handbook in mind, you should be successful and happy in your work at Hillcrest Business Improvement Assoc.. Once again, welcome to our Company, and we look forward to working with you.

EMPLOYEE ACKNOWLEDGMENT AND AGREEMENT

This will acknowledge that I have received my copy of the Hillcrest Business Improvement Assoc. Employee Handbook and that I will familiarize myself with its contents.

I understand that this handbook represents the current policies, regulations, and benefits, and that except for employment at-will status and the Arbitration Agreement, any and all policies or practices can be changed at any time by the Company. The Company retains the right to add, change, or delete wages, benefits, policies, and all other working conditions at any time (except the policy of "at-will employment" and Arbitration Agreement, which may not be changed, altered, revised or modified without a written agreement signed by both myself and the Executive Director of the Company).

I further understand that nothing in the Employee Handbook creates or is intended to create a promise or representation of continued employment and that my employment, position, and compensation at the Company are at-will, and may be changed or terminated at the will of the Company. I understand that I have the right to terminate my employment at any time, with or without cause or notice, and that the Company has a similar right. My signature below certifies that I understand the foregoing agreement that at-will status is the sole and entire agreement between the Company and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations (whether written or oral) concerning my employment with the Company.

I further agree and acknowledge that the Company and I will utilize binding arbitration to resolve all disputes that may arise out of the employment context. Both the Company and I agree that any claim, dispute, and/or controversy that either I may have against the Company (or its owners, directors, officers, managers, employees, agents, and parties affiliated with its employee benefit and health plans) or the Company may have against me, arising from, related to, or having any relationship or connection whatsoever with my seeking employment with, employment by, or other association with the Company shall be submitted to and determined exclusively by binding arbitration under the Federal Arbitration Act, in conformity with the procedures of the California Arbitration Act (Cal. Code Civ. Proc. sec 1280 et seq., including section 1283.05 and all of the Act's other mandatory and permissive rights to discovery). Included within the scope of this Agreement are all disputes, whether based on tort, contract, statute (including, but not limited to, any claims of discrimination and harassment, whether they be based on the California Fair Employment and Housing Act, Title VII of the Civil Rights Act of 1964, as amended, or any other state or federal law or regulation), equitable law, or otherwise, with exception of claims arising under the National Labor Relations Act which are brought before the National Labor Relations Board, claims for medical and disability benefits under the California Workers' Compensation Act, Employment Development Department claims, or as otherwise required by state or federal law. However, nothing herein shall prevent me from filing and pursuing proceedings before the California Department of Fair Employment and Housing, or the United States Equal Employment Opportunity Commission (although if I choose to pursue a claim following the exhaustion of such administrative remedies, that claim would be subject to the provisions of this Agreement). Further, this Agreement shall not prevent either me or the Company from obtaining provisional remedies to the extent permitted by Code of Civil Procedure Section 1281.8 either before the commencement of or during the arbitration process. In addition to any other requirements imposed by law, the arbitrator selected shall be a

retired California Superior Court Judge, or otherwise qualified individual to whom the parties mutually agree, and shall be subject to disqualification on the same grounds as would apply to a judge of such court. All rules of pleading (including the right of demurrer), all rules of evidence, all rights to resolution of the dispute by means of motions for summary judgment, judgment on the pleadings, and judgment under Code of Civil Procedure Section 631.8 shall apply and be observed. Resolution of the dispute shall be based solely upon the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis (including but not limited to, notions of “just cause”) other than such controlling law. The arbitrator shall have the immunity of a judicial officer from civil liability when acting in the capacity of an arbitrator, which immunity supplements any other existing immunity. Likewise, all communications during or in connection with the arbitration proceedings are privileged in accordance with Cal. Civil Code Section 47(b). As reasonably required to allow full use and benefit of this agreement’s modifications to the Act’s procedures, the arbitrator shall extend the times set by the Act for the giving of notices and setting of hearings. Awards shall include the arbitrator’s written reasoned opinion. I understand and agree to this binding arbitration provision, and both I and the Company give up our right to trial by jury of any claim I or the Company may have against each other.

This is the entire agreement between the Company and me regarding dispute resolution, the length of my employment, and the reasons for termination of employment, and this agreement supersedes any and all prior agreements regarding these issues. It is further agreed and understood that any agreement contrary to the foregoing must be entered into, in writing, by myself and the Executive Director of the Company. No supervisor or representative of the Company, other than its Executive Director, has any authority to enter into any agreement for employment for any specified period of time or make any agreement contrary to the foregoing. Oral representations made before or after you are hired do not alter this Agreement.

If any term or provision, or portion of this Agreement is declared void or unenforceable it shall be severed and the remainder of this Agreement shall be enforceable.

MY SIGNATURE BELOW ATTESTS TO THE FACT THAT I HAVE READ, UNDERSTAND, AND AGREE TO BE LEGALLY BOUND TO ALL OF THE ABOVE TERMS.

DO NOT SIGN UNTIL YOU HAVE READ THE ABOVE ACKNOWLEDGMENT AND AGREEMENT.

Print Full Name

Signature

Date

[RETAIN IN EMPLOYEE PERSONNEL FILE]