

# Heartwell/Carriage Crest Homecare Employee Manual



November 17, 2025

# **ABOUT THIS MANUAL/DISCLAIMER**

We prepared this manual to help employees find the answers to many questions that they may have regarding their employment with Heartwell/Carriage Crest Homecare. Please take the necessary time to read it.

We do not expect this manual to answer all questions. Supervisors and Human Resources also serve as a major source of information.

Neither this manual nor any other verbal or written communication by a management representative is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation, nor does it confer any contractual rights whatsoever. Heartwell/Carriage Crest Homecare adheres to the policy of employment at will, which permits the Company or the employee to end the employment relationship at any time, for any reason, with or without cause or notice.

No Company representative other than the CEO and/or the CFO may modify at-will status and/or provide any special arrangement concerning terms or conditions of employment in an individual case or generally and any such modification must be in a signed writing.

Many matters covered by this manual, such as benefit plan descriptions, are also described in separate Company documents. These Company documents are always controlling over any statement made in this manual or by any member of management.

This manual states only general Company guidelines. The Company may, at any time, in its sole discretion, modify or vary from anything stated in this manual, with or without notice, except for the rights of the parties to end employment at will, which may only be modified by an express written agreement signed by the employee and the CEO and/or the CFO.

This manual supersedes all prior manuals.

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## Section 1 - Governing Principles Of Employment

### 1-1. Introduction

On behalf of Heartwell/Carriage Crest Homecare, let me extend a warm and sincere welcome to employees commencing with us.

For employees who have been with us, thanks for your past and continued service.

I extend my personal best wishes for success and happiness here at Heartwell/Carriage Crest Homecare. We understand that it is our employees who provide the services that our customers rely upon, and who will enable us to create new opportunities in the years to come.

Maria Roderick, CEO

### 1-2. Reasonable Accommodations & Interactive Dialogue

Heartwell/Carriage Crest Homecare is committed to complying with applicable federal, state, and local laws governing reasonable accommodations of individuals, including, but not limited to, the Americans with Disabilities Act (ADA) and the Pregnant Workers Fairness Act (PWFA). To that end, Heartwell/Carriage Crest Homecare will endeavor to make a reasonable accommodation to applicants and employees who have requested an accommodation or for whom Heartwell/Carriage Crest Homecare has notice may require such an accommodation, related to an individual's:

- Disability, meaning any physical, medical, mental, or psychological impairment, or a history or record of such impairment;
- Sincerely held religious beliefs and practices;
- Needs as a victim of domestic violence, sex offenses, or stalking;
- Needs related to pregnancy, childbirth, or related medical conditions; and/or
- Any other reason required by applicable law, unless the accommodation would impose an undue hardship on the operation of our business.

Reasonable accommodations can take many forms. For example, reasonable accommodations for pregnancy, childbirth, or related medical conditions include but are not limited to things such as the ability to carry or keep water near and drink, as needed; allowing the employee additional restroom breaks; allowing the employee whose work requires standing to sit and whose work requires sitting to stand; allowing the employee breaks, as needed, to eat and drink; accommodations related to lactation; time off to recover from childbirth; modification of equipment; appropriate seating; temporary transfer to a different position that the employee is able to perform; restructuring job duties; light duty; or a modified work schedule. Heartwell/Carriage Crest Homecare will work with the employee to determine what accommodation is appropriate for the employee, given the employee's unique circumstances, that does not impose an undue hardship on Heartwell/Carriage Crest Homecare.

Any employee who would like to request an accommodation based on any of the reasons set forth above should contact the employee's supervisor and/or the employee's supervisor. Accommodation

requests can be made in writing using a form which can be obtained from the employee's supervisor and/or the employee's supervisor. If the employee who has requested an accommodation has not received an initial response within five (5) business days, they should contact the Head of Human Resources.

Unless otherwise required by law, Heartwell/Carriage Crest Homecare may request that the employee provide supporting documentation. Cooperating with Heartwell/Carriage Crest Homecare by returning requested information in a timely fashion is required.

After receiving a request for an accommodation or learning indirectly that the employee may require such an accommodation, Heartwell/Carriage Crest Homecare will engage in an interactive dialogue with the employee.

Even if the employee has not formally requested an accommodation, Heartwell/Carriage Crest Homecare may initiate an interactive dialogue under certain circumstances, such as when Heartwell/Carriage Crest Homecare has knowledge that employee's performance at work has been negatively affected and a reasonable basis to believe that the issue is related to any of the protected classifications set forth above, in compliance with applicable law. In the event Heartwell/Carriage Crest Homecare initiates an interactive dialogue, it should not be construed as Heartwell/Carriage Crest Homecare's belief the employee requires an accommodation, but will serve as an invitation for the employee to share with Heartwell/Carriage Crest Homecare any information the employee desires to share, or to request an accommodation.

The interactive dialogue may take place in person, by telephone, or by electronic means. As part of the interactive dialogue, Heartwell/Carriage Crest Homecare will communicate openly and in good faith with the employee in a timely manner in order to determine whether and how Heartwell/Carriage Crest Homecare may be able to provide a reasonable accommodation. To the extent necessary and appropriate based on the request, Heartwell/Carriage Crest Homecare will attempt to explore the existence and feasibility of alternative accommodations as well as alternative positions for the employee. Heartwell/Carriage Crest Homecare is not required to provide the specific accommodation sought by the employee, provided the alternatives are reasonable and either meet the specific needs of the employee or specifically address the employee's limitations.

Heartwell/Carriage Crest Homecare will endeavor to keep confidential all communications regarding requests for reasonable accommodations and all circumstances surrounding the employee's underlying reason for needing an accommodation.

Heartwell/Carriage Crest Homecare will not allow any form of retaliation against employees who have requested an accommodation, for whom Heartwell/Carriage Crest Homecare has notice may require such an accommodation, or who otherwise engage in the interactive dialogue process.

Employees with questions regarding this policy should contact the employee's supervisor and/or the employee's supervisor.

### **1-3. Equal Employment Opportunity**

Heartwell/Carriage Crest Homecare is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, color, religious creed, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth, and related medical conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military

service and veteran status, physical or mental disability, protected medical condition as defined by applicable state or local law (such as cancer), reproductive health decision making, genetic information, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Heartwell/Carriage Crest Homecare's management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs, and general treatment during employment.

The Company will endeavor to make a reasonable accommodation of an otherwise qualified applicant or employee related to an individual's: physical or mental disability; sincerely held religious beliefs and practices; needs as a victim of domestic violence, sex offenses, or stalking; needs related to pregnancy, childbirth, or related medical conditions; and/or any other reason required by applicable law, unless doing so would impose an undue hardship upon the Company's business operations. Any applicant or employee who needs an accommodation to perform the essential functions of the job should contact the employee's supervisor and/or the employee's supervisor to request such an accommodation. The individual should specify what accommodation is needed to perform the job and submit supporting documentation explaining the basis for the requested accommodation, to the extent permitted and in accordance with applicable law. The Company will review and analyze the request, including engaging in an interactive process with the employee or applicant, to identify if such an accommodation can be made. The Company will evaluate requested accommodations, and as appropriate identify other possible accommodations, if any. The individual will be notified of the Company's decision within a reasonable period. The Company treats all medical information submitted as part of the accommodation process in a confidential manner.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the employee's supervisor and/or the employee's supervisor. The Company will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If employees feel they have been subjected to any such retaliation, they should contact the employee's supervisor and/or the employee's supervisor. To ensure our workplace is free of artificial barriers, violation of this policy including any improper retaliatory conduct will lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

#### **1-4. Discrimination, Harassment, And Retaliation Prevention**

Heartwell/Carriage Crest Homecare does not tolerate and prohibits discrimination, harassment, or retaliation of or against job applicants, contractors, interns, volunteers, or employees by another employee, supervisor, vendor, customer, or third party based on actual or perceived race, color, creed, religion, age, sex or gender (including pregnancy, childbirth, and related medical conditions), sexual orientation, gender identity or gender expression (including transgender status), national origin, ancestry, marital status, protected medical condition as defined by state law (including cancer or genetic characteristics), physical or mental disability, military and veteran status, reproductive health decision making, genetic information, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Further, the Company prohibits discrimination, harassment, and retaliation on the basis of any combination of protected characteristics. The Company is committed to a workplace free of discrimination, harassment, and retaliation.

The Company management team is dedicated to ensuring the fulfillment of this policy as it applies to all terms and conditions of employment, including recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, and general treatment during employment.

## **Discrimination Defined**

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

## **Harassment Defined**

Harassment is defined in this policy as unwelcome verbal, visual, or physical conduct creating an intimidating, an offensive, or a hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures, or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays, text messages, social media, or emails), or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion toward an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

## **Sexual Harassment Defined**

Sexual harassment can include all the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities, and other verbal or physical conduct of a sexual nature. Sexual harassment includes unwelcome or unwanted conduct that is either of a sexual nature or directed at an individual because of that individual's sex when:

- Submission to that conduct or to those advances or requests is made either explicitly or implicitly a term or condition of an individual's employment;
- Submission to or rejection of the conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- The conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Examples of conduct that violate this policy include:

- Unwelcome or unwanted sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, and blocking normal movement;
- Requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
- Obscene or vulgar gestures, posters, or comments;
- Sexual jokes or comments about a person's body, sexual prowess, or sexual deficiencies;
- Propositions or suggestive or insulting comments of a sexual nature;
- Derogatory cartoons, posters, and drawings;
- Sexually explicit emails, text messages, or voicemails;
- Uninvited touching of a sexual nature;
- Unwelcome or unwanted sexually related comments;
- Conversation about one's own or someone else's sex life;
- Conduct or comments consistently targeted at only one (1) gender, even if the content is not sexual; and
- Teasing or other conduct directed toward a person because of the person's gender.

## **Retaliation Defined**

Retaliation means adverse conduct taken because an individual reported an actual or a perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- Shunning and avoiding an individual who reports harassment, discrimination, or retaliation;
- Express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination, or retaliation; and
- Denying employment benefits because an applicant or employee reported harassment, discrimination, or retaliation or participated in the reporting and investigation process described below.

**All discrimination, harassment, and retaliation is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, a coworker, a client, a customer, a vendor, or another third party.**

## **Reporting Procedures**

The following steps have been put into place to ensure the work environment is respectful, professional, and free of discrimination, harassment, and retaliation. If the employee believes someone has violated this policy or the Equal Employment Opportunity Policy, the employee should promptly bring the matter to the immediate attention of the Employee's Supervisor. (Phone numbers are available through the Company directory.) If this individual is the person toward whom the complaint is directed, the employee should contact any higher-level manager in the reporting chain. If the employee makes a complaint under this policy and has not received a satisfactory response within five (5) business days, the Head of Human Resources should be contacted immediately. (Phone numbers are available through the Company directory.)

Every supervisor who learns of any employee's concern about conduct in violation of this policy or the Equal Employment Opportunity Policy, whether in a formal complaint or informally, or who otherwise is aware of conduct in violation of this policy or our Equal Employment Opportunity Policy must immediately report the issues raised to any member of management.

## **Investigation Procedures**

Upon receiving a complaint, the Company will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or the Equal Employment Opportunity policy. To the extent possible, the Company will endeavor to keep the reporting employee's concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, the Company generally will interview the complainant and the accused, conduct further interviews as necessary, and review any relevant documents or other information. Upon completion of the investigation, the Company shall determine whether this policy has been violated based on its reasonable evaluation of the information gathered during the investigation. The Company will inform the complainant and the accused of the results of the investigation.

The Company will take corrective measures against any person who it finds to have engaged in

conduct in violation of this policy, if the Company determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension, or immediate termination. Anyone, regardless of position or title, who the Company determines has engaged in conduct that violates this policy will be subject to discipline up to and including termination.

## **Training**

All employees are required to undergo harassment prevention training as required by applicable law. For more information about this training requirement, employees should go to <https://calcivilrights.ca.gov/shptfaq-employee/>.

## **Retaliation Prohibited**

In addition to being a violation of this policy, harassment, discrimination, or retaliation also can be against the law. Employees who engage in conduct that rises to the level of a violation of law can be held personally liable for such conduct.

Remember, the Company cannot remedy claimed discrimination, harassment, or retaliation unless employees bring these claims to the attention of management. Employees should not hesitate to report any conduct they believe violates this policy.

## **1-5. Drug-Free And Alcohol-Free Workplace**

To help ensure a safe, healthy, and productive work environment for our employees and others, to protect Company property, and to ensure efficient operations, Heartwell/Carriage Crest Homecare has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all employees and other individuals who perform work for the Company.

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

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

The Company maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies and those who have a medical history which reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation. The Company encourages employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs or jeopardizes the health and safety of any Company employee, including themselves.

## 1-6. Workplace Violence

Heartwell/Carriage Crest Homecare is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company and personal property.

Heartwell/Carriage Crest Homecare does not expect employees to become experts in psychology or to physically subdue a threatening or violent individual. Indeed, Heartwell/Carriage Crest Homecare specifically discourages employees from engaging in any physical confrontation with a violent or potentially violent individual. However, Heartwell/Carriage Crest Homecare does expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations.

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Company policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; or demonstrating a propensity to behave and react irrationally.

### **Prohibited Conduct**

Threats, threatening language or any other acts of aggression or violence made toward or by any Company employee WILL NOT BE TOLERATED. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation. To the extent permitted by law, employees and visitors are prohibited from carrying weapons onto Company premises.

### **Procedures for Reporting a Threat**

All potentially dangerous situations, including threats by co-workers, should be reported immediately to any member of management with whom the employee feels comfortable. Reports of threats may be maintained confidential to the extent maintaining confidentiality does not impede Heartwell/Carriage Crest Homecare's ability to investigate and respond to the complaints. All threats will be promptly investigated. All employees must cooperate with all investigations. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If the Company determines, after an appropriate good faith investigation, that someone has violated this policy, the Company will take swift and appropriate corrective action.

If the employee is the recipient of a threat made by an outside party, that employee should follow the steps detailed in this section. It is important for the Company to be aware of any potential danger in its offices. Indeed, the Company wants to take effective measures to protect everyone from the threat of a violent act by employees or by anyone else.

## Section 2 - Operational Policies

### 2-1. Employee Classifications

For purposes of this manual, all Heartwell/Carriage Crest Homecare employees fall within one of the classifications below.

**Full-Time Employees** - Employees who regularly work at least 40 hours per week who were not hired on a short-term basis.

**Part-Time Employees** - Employees who regularly work fewer than 40 hours per week who were not hired on a short-term basis.

**Short-Term Employees** - Employees who were hired for a specific short-term project, or on a short-term freelance, per diem or temporary basis. Short-Term employees generally are not eligible for Company benefits, but are eligible to receive statutory benefits.

In addition to the above classifications, employees are categorized as either "**exempt**" or "**non-exempt**" for purposes of federal and state wage and hour laws. Employees classified as exempt do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such salary may be paid less frequently than weekly. The employee will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

### 2-2. Trial Period

**The first three months** of employees' employment is an introductory period. This is an opportunity for Heartwell/Carriage Crest Homecare to evaluate the employee's performance. It also is an opportunity for employees to decide whether they are happy being employed by the Company. The Company may extend the introductory period if it desires. Completion of the introductory period does not alter the employee's at-will status.

Heartwell/Carriage Crest Homecare will conduct a formal performance review at the end of the introductory period.

### 2-3. Your Employment Records

In order to obtain their position, employees have provided personal information, such as address and telephone number. This information is contained in their personnel file.

Employees should keep their personnel file up to date by informing the Head of Human Resources and/or the Director of Payroll of any changes. Employees also should inform the Head of Human Resources and/or the Director of Payroll of any specialized training or skills they acquire, as well as any changes to any required visas. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach employees in a crisis could cause a severe health or safety risk or other significant problem.

## 2-4. Working Hours And Schedule

Heartwell/Carriage Crest Homecare normally is open for business from 12:00 AM to 11:59 PM, Monday through Sunday.

Employees will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of the business, at some point Heartwell/Carriage Crest Homecare may need to change individual work schedules on either a short-term or long-term basis.

### Rest Breaks

If you are non-exempt, you will also be provided paid, 10-minute rest periods based on total hours worked daily, and you are not required to "clock out" from the timekeeping system. You will receive 10 minutes of uninterrupted rest time for every four hours of work, or a significant portion of each four hours worked. Accordingly, if you work:

- Less than three and a half hours, you are not entitled to a rest period.
- Three and a half to six hours, you are entitled to a 10-minute rest period.
- Six to 10 hours, you are entitled to two 10-minute rest periods.
- Ten to 14 hours, you are entitled to three 10-minute rest periods.

Rest periods are to be taken in the middle of the four-hour work period when possible. Rest periods should not be combined or added to meal periods or used to start work later or end work early.

### Meal Periods

Employees who work more than five (5) hours in a workday are provided a paid meal period of at least 30 minutes. Meal periods will be considered "on duty," which means employees are not relieved of their duties and must maintain supervision of clients. Under Wage Order 5, employees working in residential care facilities for individuals with developmental disabilities may be required to work "on duty" meal periods without penalty. In return for doing so, employees may eat with clients or afterward if the clients require assistance.

Employees who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30-minute meal period. Employees entitled to a second meal period should schedule their second meal period so it begins no later than before the end of their tenth hour of work, meaning the meal period should begin after working no more than nine (9) hours, 59 minutes.

## 2-5. Artificial Intelligence

The Company recognizes that the use of artificial intelligence (AI) tools can potentially assist employees with the performance of job duties. However, there are many risks. To ensure the protection of confidential information and the integrity of our operations, as set forth below, all employees who wish to use AI tools must receive management approval and, if granted, comply with the below best practices.

**Evaluation of AI tools.** Employees must evaluate the utility and security of any AI tool before using it. This includes reviewing the tool's security features, terms of service, and privacy policy.

Employees also should review the reputation of the tool developer and any third-party services used by the tool. But most importantly, employees must receive management approval prior to using any AI tool after explaining the manner in which it will be used and the benefits to the business.

**Protection of confidential data.** In using any AI tool, employees must not upload or share any confidential, proprietary, or protected data without prior written approval from the immediate manager. This includes data related to customers, employees, or partners. Similarly, employees must ensure any AI tool does not utilize confidential or copyrighted information of a third party.

**Access control.** Employees must not give access to any AI tools approved for business use to anyone outside the Company without prior approval from the immediate manager and implementation of processes as required to meet security compliance requirements. This includes sharing login credentials or other sensitive information with third parties.

**Compliance with security policies.** Employees must apply the same security best practices we use for all Heartwell/Carriage Crest Homecare and customer data. This includes using strong passwords, keeping software up-to-date, and following the Company's data retention and disposal policies.

## 2-6. Timekeeping Procedures

Employees must record their actual time worked for payroll and benefit purposes. Non-exempt employees must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, on forms as prescribed by management.

Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time.

It is the employee's responsibility to sign time records to certify the accuracy of all time recorded. Any errors in the time record should be reported immediately to a supervisor, who will attempt to correct legitimate errors.

## 2-7. Overtime

When Heartwell/Carriage Crest Homecare experiences periods of extremely high activity, additional work may be required. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide employees with adequate advance notice in such situations.

Non-exempt employees generally will be paid overtime at the rate of time and one-half (1.5) times their regular rate of pay for all hours worked in excess of eight (8) hours in one (1) day or 40 hours in one (1) week, or for the first eight (8) hours on the seventh (7<sup>th</sup>) consecutive day in the same workweek.

Non-exempt employees generally will be paid double-time for hours worked in excess of 12 in any workday or in excess of eight (8) on the seventh (7<sup>th</sup>) day of the workweek.

Employees may work overtime only with management authorization.

For purposes of calculating overtime for non-exempt employees, the workweek begins at 12 a.m. on Monday and ends 168 hours later at 12 a.m. on the following Monday.

## **2-8. Travel Time For Non-Exempt Employees**

California non-exempt employees are paid for travel time in accordance with state law.

## **2-9. Safe Harbor Policy For Exempt Employees**

It is Company policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure employees are paid properly and no improper deductions are made, employees must review their pay stubs promptly to identify and to report all errors.

If the employee believes a mistake has occurred or if the employee has any questions, the employee should use the reporting procedure outlined below.

Exempt salaried employees receive a salary which is intended to compensate for all hours worked for the Company. This salary will be established at the time of hire or when the employee becomes classified as an exempt employee. While it may be subject to review and modification from time-to-time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under state law, salary is subject to certain deductions. For example, the employee's salary can be reduced for the following reasons:

- full-day absences for personal reasons;
- full-day absences for sickness or disability, if the available paid sick leave has been exhausted;
- intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, if other available paid leave has been exhausted;
- to offset amounts received as payment for jury and witness fees or military pay;
- during the first or last week of employment in the event the employee works less than a full week; and
- any work week in which the employee performs no work for the Company.

Salary also may be reduced for certain types of deductions, such as the employee portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan.

In any workweek in which the employee performed any work, the employee's salary will not be reduced for any of the following reasons:

- partial-day absences for personal reasons, sickness or disability;
- absence on a holiday when the facility is closed or because the facility is otherwise closed on a scheduled workday;
- absences for jury duty, attendance as a witness or military leave in any week in which the

- employee has performed any work; and
- any other deductions prohibited by state or federal law.

If employees believe they have been subject to any improper deductions, they should immediately report the matter to their supervisor. If the supervisor is unavailable or if employees believe it would be inappropriate to contact that person (or if they have not received a prompt and fully acceptable reply), they should immediately contact the Head of Human Resources or any other supervisor in the Company with whom the employee feels comfortable. If employees are unsure of whom to contact if they have not received a satisfactory response within five (5) business days after reporting the incident, they should immediately contact the Head of Human Resources, 203 E. 219th St. Carson, CA 90745, (415) 722-0984.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including termination for any employee who violates this policy. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

## **2-10. Your Paycheck**

Employees will be paid semi-monthly for all the time worked during the past pay period.

Payroll stubs itemize deductions made from gross earnings. By law, Heartwell/Carriage Crest Homecare is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Payroll stubs also will differentiate between regular pay received and overtime pay received.

If there is an error in any employee's pay, the employee should bring the matter to the attention of CFO immediately so the Company can resolve the matter quickly and amicably.

Paychecks will be given only to the employee, unless the employee requests that they be mailed or authorizes in writing that another person may accept the check.

## **2-11. Direct Deposit**

Heartwell/Carriage Crest Homecare strongly encourages employees to use direct deposit. Authorization forms are available from CFO.

## **2-12. Salary Advances**

Heartwell/Carriage Crest Homecare does not permit advances on paychecks or against accrued paid time off. Advance pay for vacation must be requested in writing at least two weeks prior to the vacation period.

## 2-13. Performance Review

Depending on the employee's position and classification, Heartwell/Carriage Crest Homecare endeavors to review performance annually. However, a positive performance evaluation does not guarantee an increase in salary, a promotion or continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management.

In addition to these formal performance evaluations, the Company encourages employees and supervisors to discuss job performance on a frequent and ongoing basis.

## 2-14. Job Postings

Heartwell/Carriage Crest Homecare is dedicated to assisting employees in managing their careers and reaching their professional goals through promotion and transfer opportunities. This policy outlines the online job posting program which is in place for all employees. To be eligible to apply for an open position, the employees must meet the following requirements:

- Be a current, regular, full-time or part-time employee;
- Have been in current position for at least six (6) months;
- Maintain a performance rating of satisfactory or above;
- Not be on conduct/performance-related probation or warning;
- Meet the job qualifications listed on the job posting; and
- Provide their current manager with notice prior to applying for the position.

If employees find a position of interest on the job posting website and they meet the eligibility requirements, an online job posting application must be completed in order to be considered for the position. Not all positions are guaranteed to be posted. The Company reserves the right to seek applicants solely from outside sources or to post positions internally and externally simultaneously.

For more specific information about the program, please contact the Human Resources Department.

## 2-15. Open Door Policy

All employees have the opportunity to express ideas and opinions to management. The Company believes that open communication is essential to a successful work environment, as well as to the Company's success. All employees may express ideas and opinions directly to Company management. Employees who would like to bring an idea or suggestion to the Company's attention, or just simply wishes to discuss an issue not covered by a separate reporting procedure, are always welcome to send an email or make a call to Human Resources.

## Section 3 - Benefits

### 3-1. Benefits Overview

In addition to good working conditions and competitive pay, it is Heartwell/Carriage Crest Homecare's policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These benefits include time-off benefits, such as vacations and holidays, and insurance and other plan benefits. We are constantly studying and evaluating our benefits programs and policies to better meet present and future requirements. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs Heartwell/Carriage Crest Homecare provides employees and their families. Of course, the information presented here is intended to serve only as guidelines.

The descriptions of the insurance and other plan benefits merely highlight certain aspects of the applicable plans for general information only. The details of those plans are spelled out in the official plan documents, which are available for review upon request from the Head of Human Resources and/or the CFO. Additionally, the provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") for the plans (which may be revised from time to time). In the determination of benefits and all other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs and this manual.

Further, Heartwell/Carriage Crest Homecare (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

While the Company intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If employees have any questions regarding benefits, they should contact the Head of Human Resources and/or the CFO.

### 3-2. Paid Holidays

All employees are eligible to be paid for the following holidays:

New Year's Day

Juneteenth National Independence Day

Labor Day

Thanksgiving Day

Christmas Day

## Easter Sunday

When holidays fall or are celebrated on what otherwise would be a regular workday for the eligible employee, eligible employees will receive one (1) day's pay at the rate of time and one-half (1.5) times their normal hourly wage. Employees will generally be paid double-time (2.0) for hours worked in excess of eight (8) on any holiday.

### 3-3. Paid Vacations

Heartwell/Carriage Crest Homecare appreciates how hard employees work and recognizes the importance of providing time for rest and relaxation. Heartwell/Carriage Crest Homecare fully encourages employees to get this rest by taking vacation time. Full-time employees accrue paid vacation time as follows:

All full-time regular employees are eligible to receive vacation time after completing one year of employment.

Vacation is calculated according to your work anniversary year.

Vacation is paid to regular full-time Heartwell Home Care employees as follows:

- After one year of employment: one workweek (40 Hours)
- Any unused vacation will accrue until the maximum number of vacation hours (70) have been reached. Once an employee reaches 70 accrued hours, they will stop accruing *new* vacation hours until they take some time off and their balance falls below the cap.

You must give at least 30 days' notice to the Administrator of your vacation plans. You will not be eligible to receive pay instead of vacation time, except with Company permission or upon termination. Any conflict in vacation requests will be decided based on seniority and Company needs. You will not accrue vacation when you are not working and taking time off from the Company.

If you are sick during your vacation, you may not count that day as sick pay. You may not carry over unused vacation time from year to year.

#### *During a Leave of Absence*

The company may require you to use any unused vacation during disability or family medical leave, or any other leave of absence, where permissible under local, state, and federal law.

#### Separation of Employment

Upon separation of employment for any reason, you will be paid for earned but unused vacation time.

### 3-4. Sick And Safe Time

#### Eligibility

Pursuant to the Healthy Workplaces, Healthy Families Act, Heartwell/Carriage Crest Homecare provides paid sick leave to employees who work for Heartwell/Carriage Crest Homecare in California for 30 or more days within a year. For employees who work in California who are eligible for sick time

under another policy and/or any other applicable sick time/leave law or ordinance, this policy applies solely to the extent it provides greater benefits/rights on any specific issue or issues than any other policy and/or any other applicable sick time/leave law or ordinance.

## **Grant**

Employees receive five (5) paid sick days (40 hours) at the time of hire and then five (5) paid sick days (40 hours) each year thereafter on January 1. For purposes of this policy, the year is the consecutive 12-month period beginning January 1 and ending on December 31.

## **Usage**

Employees can use accrued paid sick leave beginning on the 90th day of employment. Employees may use up to five (5) days or 40 hours of paid sick leave in any year. Paid sick leave may be used in minimum increments of two (2) hours.

Paid sick leave may be used for the following reasons:

1. For diagnosis, care, or treatment of an existing health condition of or preventive care for, the employee or the employee's family member;
2. To serve on an inquest jury or trial jury;
3. To appear in court to comply with a subpoena or other court order as a witness in any judicial proceeding;
4. To attend judicial proceedings related to certain felonies or other covered crimes that the employee or the employee's family member was a victim of, including, but not limited to, any delinquency proceeding, a post-arrest release decision, plea, sentencing, postconviction release decision, or any proceeding where a right of that person is an issue;
5. To obtain or attempt to obtain relief because the employee is a victim of a qualifying act of violence. Relief includes, but is not limited to a temporary restraining, a restraining order, or other injunctive relief, to help ensure the health, safety, or welfare of the victim or their child; or
6. Any other reason required by applicable law.

For purposes of this policy, family member means a child (including biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis, all regardless of age or dependency status); spouse; registered domestic partner; parent (including biological, adoptive, or foster parent, stepparent, or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child); grandparent; grandchild; sibling; or a designated person. Employees are limited to selecting one (1) designated person per 12-month period for paid sick days.

For purposes of this policy, "qualifying act of violence" means any of the following, regardless of whether anyone is arrested for, prosecuted for, or convicted of committing any crime:

- Domestic violence;
- Sexual assault;
- Stalking; or
- An act, conduct, or pattern of conduct that includes any of the following:
  - An individual causes bodily injury or death to another individual;
  - An individual exhibits, draws, brandishes, or uses a firearm or other dangerous weapon

- with respect to another individual; or
- An individual uses, or makes a reasonably perceived or actual threat to use, force against another individual to cause physical injury or death.

Unless the employee advises employee's supervisor otherwise, the Company will assume employees want to use available paid sick leave for absences for reasons set forth above and employees will be paid for such absences to the extent they have paid sick leave available.

Employees will be notified of their available paid sick leave on each itemized wage statement.

### **Notice and Documentation**

Notice to employee's supervisor may be given orally or in writing. If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee must provide notice of the need for the leave as soon as practicable.

### **Payment**

Eligible employees will receive payment for paid sick leave at the same wage as the employee normally earns during regular work hours, unless otherwise required by applicable law, by the next regular payroll period after the leave was taken. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.

### **Carryover and Payout**

Accrued but unused paid sick leave does not carry over from year to year.

Accrued but unused paid sick leave under this policy will not be paid at separation.

### **Enforcement and Retaliation**

Retaliation or discrimination against any employee who requests paid sick days or uses paid sick days or both is prohibited and employees may file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against any employee.

If employees have any questions regarding this policy, they should contact the Head of Human Resources.

## **3-5. Workers' Compensation**

On-the-job injuries are covered by Heartwell/Carriage Crest Homecare's Workers' Compensation Insurance Policy, which is provided at no cost to employees. If injured on the job, no matter how slightly, employees should report the incident immediately to their supervisor. Failure to follow Company procedures may affect one's ability to receive Workers' Compensation benefits.

Any leave of absence due to a workplace injury runs concurrently with all other Company leaves of absence. Reinstatement from leave is guaranteed only if required by law. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence sections of this manual for more information.

### **3-6. Jury Duty**

Heartwell/Carriage Crest Homecare realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. Employees are expected, however, to provide proper notice of a request to perform jury duty and verification of their service.

Employees also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. If the required absence presents a serious conflict for management, employees may be asked to try to postpone jury duty.

Employees on jury duty leave will be paid for their jury duty service in accordance with state law; however, exempt employees will be paid their full salary for any week in which time is missed due to jury duty if work is performed for the Company during such week.

### **3-7. Private Employer Witness Leave**

Employees who are subpoenaed or otherwise required by law to appear in court as witnesses in any judicial proceeding will not face discharge, discrimination, or retaliation for taking time off to comply with these obligations.

Employees may use vacation, personal leave, paid sick leave, or other paid time off to cover any period of absence under this policy.

Employees must notify their supervisor as soon as possible upon receiving a subpoena or court order and provide reasonable advance notice of their intention to take time off, unless providing such notice is not feasible. When an unscheduled absence occurs, the Company will not take any adverse action against employees if, within a reasonable time after the absence, they provide supporting certification upon the Company's request.

This policy does not create a right for employees to take unpaid leave that exceeds the unpaid leave time that is allowed under, or is in addition to, the unpaid leave time permitted by the 12 weeks provided under the federal Family and Medical Leave Act.

### **3-8. Voting Leave**

In the event employees do not have sufficient time outside of working hours to vote in a statewide election, employees may take off sufficient working time to vote. This time should be taken at the beginning or end of the regular work schedule, whichever allows the most free time for voting and the least time off from work. Employees will be allowed a maximum of two (2) hours of voting leave on Election Day without loss of pay. Where possible, supervisors should be notified of the need for leave at least two (2) working days prior to the Election Day.

### **3-9. Insurance Programs**

Full-time employees may participate in Heartwell/Carriage Crest Homecare's insurance programs. Under these plans, eligible employees will receive comprehensive health and other insurance coverage for themselves and their families, as well as other benefits.

Upon becoming eligible to participate in these plans, employees will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Of course, feel free to contact the Head of Human Resources and/or the CFO with any further questions.

### **3-10. Statutory Short-Term Disability Benefits**

Heartwell/Carriage Crest Homecare also provides statutory short-term disability insurance.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence sections of this manual for more information.

### **3-11. Long-Term Disability Benefits**

Full-time employees are eligible to participate in the Long-Term Disability plan, subject to all terms and conditions of the agreement between Heartwell/Carriage Crest Homecare and the insurance carrier.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence sections of this manual for more information.

### **3-12. Salary Continuation**

Heartwell/Carriage Crest Homecare provides enhanced monetary short-term disability benefits to full-time employees. These enhanced monetary benefits are inclusive of any monetary workers' compensation or statutory short-term disability benefits.

This is not a leave of absence provision. Employees who will be out of work must request a leave of absence. See the Leave of Absence sections of this manual for more information. Employees will be required to submit medical certification as requested by Heartwell/Carriage Crest Homecare. Required medical certification under this policy may differ from the medical certification required for any leave of absence requested.

### 3-13. Employee Referral Awards

Heartwell/Carriage Crest Homecare encourages all employees to refer qualified job applicants for available job openings. Other than managers in the line of authority and all Human Resources personnel, all employees are eligible to receive employee referral awards. When making referrals, instruct the applicant to list the employee's name on their employment application as the referral source. If the referral is hired and completes 6 months of service and the employee is still the employee of the Company, the employee is eligible to receive a monetary award. The reward is currently a gross amount of \$50 for regular part-time hires and \$100 for regular full-time hires.

### 3-14. Retirement Plan

Eligible employees are able to participate in Heartwell/Carriage Crest Homecare's retirement plan. Plan participants may make contributions to a retirement account.

Upon becoming eligible to participate in this plan, employees will receive an SPD describing the plan in greater detail. Please refer to the SPD for detailed plan information. Of course, feel free to speak to the Head of Human Resources and/or the CFO if there are any further questions.

### 3-15. Paid Family Leave Benefits

Employees may be eligible to receive benefits through the California Paid Family Leave (PFL) program, which is administered by the Employment Development Department (EDD), when they take leave to:

- Care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, or registered domestic partner with a serious health condition;
- Bond with a minor child within the first year of the child's birth or placement in connection with foster care or adoption; or
- Participate in a qualifying exigency related to the covered active duty or call to covered active duty of the employee's spouse, domestic partner, child, or parent in the Armed Forces of the United States.

These benefits are financed solely through employee contributions to the PFL program. That program is solely responsible for determining if the employee is eligible for such benefits.

If employees need to take time off work for any of the reasons set forth above, they must advise Heartwell/Carriage Crest Homecare, and they will be given information about the EDD's PFL program and how to apply for benefits. Employees also may contact their local EDD Office for further information. Employees should maintain regular contact with the Company during the time off work so the Company may monitor the employee's return-to-work status. In addition, the employee should contact the Company when ready to return to work so the Company may determine what positions, if any, are open.

Employees taking time off work for any of the reasons set forth above are not guaranteed job reinstatement unless they qualify for such reinstatement under federal or state family and medical

leave laws.

Any time off for Paid Family Leave purposes will run concurrently with other leaves of absence, such as Family and Medical Leave/California Family Rights Act Leave, if applicable. Please see the "Family and Medical Leave/California Family Rights Act" policies in this manual for eligibility requirements, if applicable.

## Section 4 - Leaves Of Absence

### 4-1. Personal Leave

If employees are ineligible for any other Company leave of absence, Heartwell/Carriage Crest Homecare, under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and employees are not eligible for FMLA and CFRA, medical certification also must be submitted. The request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. However a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to management and the request is granted. During the leave, employees will not earn vacation, personal days or sick days. We will continue health insurance coverage during the leave if employees submit their share of the monthly premium payments to the Company in a timely manner, subject to the terms of the plan documents.

When the employees anticipate returning to work, they should notify management of the expected return date. This notification should be made at least one week before the end of the leave.

Upon completion of the personal leave of absence, the Company will attempt to return employees to their original job or a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

Failure to advise management of availability to return to work, failure to return to work when notified or a continued absence from work beyond the time approved by the Company will be considered a voluntary resignation of employment.

Personal leave runs concurrently with any Company-provided Short-Term Disability Leave of Absence.

### 4-2. Military Leave

If employees are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, employees must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, employees will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should ask management for further information about eligibility for Military Leave.

If employees are required to attend yearly Reserves or National Guard duty, they can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). They should give management as much advance notice of their need for military leave as possible so that Heartwell/Carriage Crest Homecare can maintain proper coverage while employees are away.

### 4-3. Bone Marrow Donation Leave

The employee who has been employed for at least 90 days may request a leave of absence for up to five (5) business days in any one-year period to undergo a medical procedure to donate bone marrow. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. The employee must use any accrued vacation time, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of this leave. If accrued vacation, sick leave or paid time off is not available, the time off for such procedure shall be paid, but the paid time off shall not exceed five (5) days. Bone marrow donation leave will not be designated as FMLA or CFRA leave time. Employees will receive health benefits for the duration of their Bone Marrow Donation Leave and upon returning from such leave will have a right to return to the same or equivalent positions they held before such leave.

### 4-4. Organ Donation Leave

Employees who have been employed for at least 90 days may request a paid leave of absence for up to 30 business days in any one-year period to undergo a medical procedure to donate an organ. Employees can request an additional 30 days of unpaid leave in any one-year period for this same purpose. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. The one-year period is measured from the start of the leave.

For an initial request for organ donation leave, the employee must use up to two weeks of accrued vacation, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of the leave. If accrued vacation, sick leave or paid time off is not available, the time off for such procedure shall be paid however the paid time off shall not exceed 30 days. Organ donation leave will not be designated as FMLA or CFRA leave time. Employees will receive health benefits for the duration of their organ donation leave and upon returning from such leave will have a right to return to the same or equivalent positions they held before such leave. Absences due to organ donation leave do not count as a break in service for the purpose of the employee's right to salary adjustments, sick leave, vacation and paid time off or seniority.

### 4-5. Family Rights Leave

Employees may be entitled to a leave of absence under the California Family Rights Act (CFRA). This policy is intended to provide employees with information concerning CFRA entitlements and obligations they may have during such leaves. If employees have any questions concerning CFRA leave, they should contact the Head of Human Resources.

#### I. Eligibility

The CFRA provides eligible employees with a right to leave, health insurance benefits, and, with some limited exceptions, job restoration. To be an "eligible employee," the employee must:

- Have been employed by Heartwell/Carriage Crest Homecare for at least 12 months (which need not be consecutive); and
- Have worked for at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave.

\*Special hours of service eligibility requirements apply to airline flight crew employees.

## II. Entitlements for CFRA Leave

### A. Basic CFRA Leave Entitlement

The CFRA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined by the calendar year. Leave may be taken for any one (1), or for a combination, of the following reasons:

- Bonding and/or caring for a newborn child;
- For placement with the employee of a child for adoption or foster care and to care for the newly placed child;
- To care for the employee's spouse, registered domestic partner, child, parent, grandparent, grandchild, sibling, or designated person with a **serious health condition**;
- For the employee's own **serious health condition** (excluding pregnancy-related disability) that makes the employee unable to perform one or more of the essential functions of their job; and/or
- Because of any **qualifying exigency** arising out of the fact that the employee's spouse, registered domestic partner, son, daughter, or parent is a military member on covered active duty status (or has been notified of an impending call or order to covered active duty status) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country.

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

Under the CFRA, a **serious health condition** is an illness, injury, impairment, or physical or mental condition that involves either inpatient care in a hospital, hospice, or residential health care facility, any subsequent treatment in connection with such inpatient care or any period of incapacity; or continuing treatment by a health care provider, including but not limited to treatment for substance abuse. The CFRA defines "inpatient care" broadly and includes a stay in a hospital, hospice, or residential health care facility, any subsequent treatment in connection with inpatient care or any period of incapacity. A person will be considered an "inpatient" when formally admitted to a health care facility with the expectation that they will remain at least overnight and occupy a bed, even if ultimately discharged or transferred to another facility and do not actually remain overnight. The CFRA defines "incapacity" as the inability to work, attend school, or perform other regular daily activities due to a serious health condition, its treatment or the recovery that it requires.

Under the CFRA, subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider or one (1) visit and a regimen of continuing treatment or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty, and attending post-deployment reintegration briefings.

For purposes of CFRA leave, "child" means a biological, adopted, or foster child, a stepchild, a legal ward, a child of a domestic partner, or a person to whom the employee stands *in loco parentis*. "Grandchild" means a child of the employee's child. "Grandparent" means a parent of the employee's parent. "Parent" means a biological, foster, or adoptive parent, parent-in-law, a stepparent, a legal guardian, or other person who stood *in loco parentis* to the employee when the employee was a child. "Designated person" means any individual related by blood or whose association with the employee is the equivalent of a family relationship. The designated person may be identified by the employee at the time the employee requests the leave but an employee is limited to one designated person per 12-month period for family care and medical leave.

A leave of absence in connection with a workers' compensation injury/illness or for which the employee receives disability or State of California Paid Family Leave benefits generally will be considered a leave for serious health conditions and will run concurrently with CFRA leave.

## **B. Intermittent Leave and Reduced Leave Schedules**

CFRA leave usually will be taken for a period of consecutive days, weeks, or months. However, employees also are entitled to take CFRA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member. Intermittent or reduced work schedule leave may be taken for absences where the employee or family member is incapacitated or unable to perform the essential functions of the position because of a chronic serious health condition, even if they do not receive treatment by a health care provider. Intermittent or reduced work schedule leave also may be taken for any qualifying exigency.

Employees also are eligible for intermittent leave for bonding with a child following birth or placement. Intermittent leave for bonding purposes generally must be taken in two- (2-) week increments, but the Company permits two (2) occasions where the leave may be for less than two (2) weeks.

## **C. Health Insurance Benefits**

During CFRA leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued work.

## **D. No Work While on Leave**

The taking of another job while on FMLA/CFRA leave or any other authorized leave of absence is prohibited except as authorized by the Company and/or if permitted by applicable law.

## **E. Restoration of Employment and Benefits**

At the end of CFRA leave, employees generally have a right to return to the same or comparable position they held before the CFRA leave. Use of CFRA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's CFRA leave.

## **F. Notice of Eligibility for, and Designation of, CFRA Leave**

Employees requesting CFRA leave are entitled to receive written notice from the Company telling them whether they are eligible for CFRA leave and, if not eligible, the reasons why they are not eligible. When eligible for CFRA leave, employees are entitled to receive written notice of: 1) their rights and responsibilities in connection with such leave; 2) the Company's designation of leave as CFRA-qualifying or non-qualifying, if not CFRA-qualifying, the reasons why; and 3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

The Company will respond to a leave request within five (5) business days. Once given, approval shall be deemed retroactive to the date of the first day of the leave. The Company may designate CFRA leave retroactively with appropriate notice provided that doing so does not cause harm or injury to the employee. In other cases, the Company and employee can mutually agree that leave is retroactively designated as CFRA leave.

### **III. Employee Obligations for CFRA Leaves**

#### **A. Provide Notice of the Need for Leave**

Employees who take CFRA leave must timely notify the Company of their need for CFRA leave. The following describes the content and timing of such notices.

##### **1. Content of Notice**

To trigger CFRA leave protections, employees must inform the Head of Human Resources of the need for CFRA-qualifying leave and the anticipated timing and duration of the leave, if known. This may be accomplished by either requesting CFRA leave specifically or explaining the reasons for leave so as to allow the Company to determine that the leave is CFRA-qualifying. For example, employees might explain that:

- A medical condition renders them unable to perform the functions of their job;
- They are pregnant;
- They or a covered family member have been hospitalized overnight;
- They or a covered family member are under the continuing care of a health care provider;
- The leave is due to a qualifying exigency caused by a military member being on covered active duty or called to covered active duty status; or
- If the leave is for a family member, that the condition renders the family member unable to perform daily activities.

Calling in sick, without providing the reasons for the needed leave, will not be considered sufficient notice for CFRA leave under this policy. Employees must respond to the Company's lawful questions to determine if absences are potentially CFRA-qualifying.

If employees fail to explain the reasons for CFRA leave, the leave may be denied. When employees seek leave due to CFRA-qualifying reasons for which the Company has previously provided CFRA protected leave, they must specifically reference the qualifying reason for the leave or the need for CFRA leave.

##### **2. Timing of Notice**

Employees must provide 30 days' advance notice of the need to take CFRA leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must notify the Company of the need for leave as soon as practicable under the circumstances. Employees who fail to give 30 days' notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy CFRA notice obligations, may have CFRA leave delayed or denied.

#### **B. Cooperating in the Scheduling of Leave**

When planning medical treatment for themselves or their family members or requesting to take leave on an intermittent or reduced schedule work basis, employees must consult with the Company and

make a reasonable effort to schedule treatment to minimize disruption of Company operations. Employees must consult with the Company prior to the scheduling of treatment in order to work out a treatment schedule that best suits the needs of both the Company and the employees, subject to the approval of the applicable health care provider. To the extent permitted by applicable law, when employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including a period of recovery from a serious health condition, the Company may temporarily transfer employees to alternative positions with equivalent pay and benefits for which they are qualified and which better accommodate recurring periods of leave.

### **C. Submit Initial Medical Certifications Supporting Need for Leave (Unrelated to Requests for Military Family Leave)**

Depending on the nature of CFRA leave sought, employees may be required to submit medical certifications supporting their need for CFRA-qualifying leave. As described below, there generally are three (3) types of CFRA medical certifications: an initial certification, a recertification, and a return-to-work/fitness-for-duty certification.

It is the employee's responsibility to provide the Company with timely, complete, and sufficient medical certifications. Whenever the Company requests employees to provide CFRA medical certifications, employees must provide the requested certifications within 15 calendar days after the request, unless it is not practicable to do so despite diligent, good faith efforts. The Company will inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven (7) calendar days to address deficiencies. The Company will delay or deny CFRA leave to those who fail to address deficiencies or otherwise fail to submit requested medical certifications in a timely manner.

The Company (through individuals other than the employee's direct supervisor) may contact the employee's health care provider to authenticate a medical certification.

Whenever the Company deems it appropriate to do so, it may waive its right to receive timely, complete, and/or sufficient CFRA medical certifications.

#### **1. Initial Medical Certifications**

Employees requesting leave because of their own, or a covered family member's, serious health condition must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family member. If employees provide at least 30 days' notice of medical leave, they should submit the medical certification before leave begins.

If the Company has reason to doubt the validity of an initial medical certification regarding the employee's own serious health condition, it may require the employee to obtain a second opinion at the Company's expense. If the opinions of the initial and second health care providers differ, the Company may, at its expense, require employees to obtain a third, final, and binding certification from a health care provider designated or approved jointly by the Company and the employee. The Company will reimburse employees for any reasonable out-of-pocket travel expenses incurred to obtain second or third medical opinions.

#### **2. Medical Recertifications**

Depending on the circumstances and duration of CFRA leave, the Company may require employees

to provide recertification of medical conditions giving rise to the need for leave. The Company will notify employees if recertification is required and will give them at least 15 calendar days to provide medical recertification. Recertification will be requested only when the original certification has expired and additional leave is requested.

### **3. Return-to-Work Release**

Unless notified that providing such certifications is not necessary, employees returning to work from CFRA leaves that were taken because of their own serious health conditions must provide a release to return to work from their healthcare provider stating they are able to resume work. Employees taking intermittent leave may be required to provide a return-to-work release for such absences up to once every 30 days if reasonable safety concerns exist regarding their ability to perform their duties. The Company may delay and/or deny job restoration until employees provide return-to-work releases.

### **D. Submit Certifications Supporting Need for Military Family Leave**

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the covered active duty or call to covered active duty status of a military member, the Company may require them to provide: 1) a copy of the military member's active duty orders or other documentation issued by the military indicating the military member is on covered active duty or call to active duty status and the dates of the military member's covered active duty service; and 2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active-duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active-duty status of the same or a different military member.

### **E. Reporting Changes to Anticipated Return Date**

If the employee's anticipated return to work date changes and it becomes necessary for them to take more or less leave than originally anticipated, they must provide the Company with reasonable notice (i.e., within two (2) business days) of the changed circumstances and new return to work date. If employees give the Company unequivocal notice of their intent not to return to work, they will be considered to have voluntarily resigned and the Company's obligation to maintain health benefits (subject to COBRA requirements) and to restore their positions will cease.

### **F. Substitute Paid Leave for Unpaid CFRA Leave**

Employees are required to substitute accrued paid time while taking an unpaid CFRA leave as follows:

- If employees request CFRA leave because of their own serious health condition (excluding absences for which they are receiving workers' compensation or short-term disability benefits), they must first substitute any accrued paid vacation, sick, or other paid time off for unpaid family/medical leave.
- If employees request CFRA leave to care for a covered family member with a serious health condition, they must first substitute any accrued paid vacation or other paid time off for unpaid family/medical leave. Once vacation or paid time off is exhausted, upon their written request, they can substitute paid sick leave for unpaid CFRA leave to care for a covered family member with a serious health condition.

- If employees request CFRA leave to bond with a newborn or newly placed child, they must first substitute any accrued paid vacation or other time off for unpaid family/medical leave.

For purposes of this substitution requirement, leave is not unpaid during any time for which employees receive compensation from the State of California under its State Disability Insurance or Paid Family Leave programs or when receiving compensation from worker's compensation. Employees will not be required to use accrued paid leave hours during any time off under this policy for which they are receiving compensation under these programs. However, where applicable and permitted by law, employees will be required to use paid leave accruals during any waiting periods applicable to these programs and upon written request, the Company will allow employees to use accrued paid time off to supplement any paid workers' compensation, disability or Paid Family Leave benefits.

The substitution of paid time off for unpaid family/medical leave time does not extend the length of any CFRA leave and the paid time off runs concurrently with any CFRA entitlement.

### **G. Pay Employees' Share of Health Insurance Premiums**

As noted above, during CFRA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. If paid leave is substituted for unpaid family/medical leave, the Company will deduct employees' shares of the health plan premium as a regular payroll deduction. If CFRA leave is unpaid, employees must pay their portion of the premium through a "pay-as-you-go" method. The Company's obligation to maintain health care coverage ceases if the employee's premium payment is more than 30 days late. If the premium payment is more than 15 days late, the Company will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date.

If employees do not return to work for at least 30 calendar days after the end of the leave period (unless they cannot return to work because of a serious health condition or other circumstances beyond their control) they will be required to reimburse the Company for the cost of the premiums the Company paid for maintaining coverage during their unpaid CFRA leave.

### **IV. Coordination of CFRA Leave with Other Leave Policies**

The CFRA does not affect any federal, state, or local law prohibiting discrimination, or supersede any federal, state, or local law which provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when CFRA leave is either not available or exhausted, please consult the Company's other leave policies in this manual or contact the Head of Human Resources.

### **V. Questions and/or Complaints About CFRA Leave**

If employees have questions regarding this policy, they should contact the Head of Human Resources. The Company is committed to complying with the CFRA and will interpret and apply this policy in a manner consistent with the CFRA.

## 4-6. Reproductive Loss Leave

Employees who have been employed for at least 30 days will be provided with up to five (5) days of reproductive loss leave following a reproductive loss event. Employees who experience more than one (1) reproductive loss event within a 12-month period are limited to 20 days of reproductive loss leave in a 12-month period. For purposes of this policy, a reproductive loss event means the day or, for a multiple-day event, the final day of a failed adoption, failed surrogacy, miscarriage, stillbirth, or an unsuccessful assisted reproduction via artificial insemination or an embryo transfer.

Leave may only be taken on regularly scheduled workdays. Leave does not need to be taken on consecutive days. Leave must be completed within three (3) months of the reproductive loss event, except that if the employee is on some other leave from work prior to or immediately following a reproductive loss event, the reproductive loss leave is available for use during the three (3) months following the end date of the other leave.

Reproductive loss leave is unpaid, except to the extent the employee is eligible for paid leave for these purposes under other the Company policies. The employee may elect to use accrued (vacation, personal days, or sick leave) to receive pay during any unpaid leave taken under this policy. Leave provided pursuant to this policy will run concurrently with any other applicable leave of absence for covered reasons, to the maximum extent permitted by applicable law. The substitution of paid time for unpaid leave time does not extend the length of leave and the paid time will run concurrently with the employee's reproductive loss leave entitlement.

Employees must inform their supervisor prior to commencing reproductive loss leave. The Company will maintain the confidentiality of any employee requesting leave under this policy including information provided to the Company related to a request for leave.

## 4-7. Time Off For Crime Victims

Employees who have been victims of serious or violent felonies, as specified under California law, or felonies relating to theft or embezzlement may take time off work to attend judicial proceedings related to the crime. Employees may also take time off if an immediate family member has been a victim of such crimes and the employee needs to attend judicial proceedings related to the crime. "Immediate family member" is defined as a person to whom the employee is legally married under the laws of any state, domestic partner, child, child of a registered domestic partner, stepchild, or person to whom employee stood in loco parentis when the person was a minor, sibling, stepsibling, half-sibling, parent, stepparent, foster parent, or legal guardian.

Employees must give their supervisor a copy of the court notice given to the victim of each scheduled proceeding before taking time off, unless advance notice to Heartwell/Carriage Crest Homecare of the need for time off is not feasible. When advance notice is not feasible, the employee must provide the Company with documentation evidencing the judicial proceeding, within a reasonable time after the absence. The documentation may be from the court or government agency setting the hearing, the district attorney or prosecuting attorney's office or the victim/witness office that is advocating on behalf of the victim.

Employees may elect to use accrued paid vacation time, paid sick leave time, or other paid time off for the absence. If the employee does not elect to use paid time off, the absence will be unpaid.

However, exempt employees will be paid their full salary for any workweek interrupted by the need for time off under this policy.

#### **4-8. Pregnancy Disability Leave**

If employees are disabled by pregnancy, childbirth or related medical conditions, they are eligible to take a pregnancy disability leave (PDL). If affected by pregnancy or a related medical condition, employees also are eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable and can be reasonably accommodated. Employees disabled by qualifying conditions may also be entitled to other reasonable accommodations where doing so is medically necessary. In addition, if it is medically advisable for employees to take intermittent leave or work a reduced schedule, the Company may require them to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

The PDL is for any period(s) of actual disability caused by pregnancy, childbirth or related medical condition up to four (4) months per pregnancy. For purposes of this policy, "four months" means time off for the number of days the employee would normally work within the four (4) calendar months (one-third of a year or 17 1/3 weeks), following the commencement date of taking a pregnancy disability leave. For a full-time employee who works 40 hours per week, "four months" means 693 hours of leave entitlement, based on 40 hours per week times 17 1/3 weeks. Employees working a part-time schedule will have their PDL calculated on a pro-rata basis.

The PDL does not need to be taken in one continuous period of time, but can be taken on an intermittent basis pursuant to the law.

Time off needed for prenatal or postnatal care, severe morning sickness, gestational diabetes, pregnancy-induced hypertension, preeclampsia, doctor-ordered bed rest, postpartum depression, loss or end of pregnancy, and recovery from childbirth or loss or end of pregnancy are all covered by PDL.

To receive reasonable accommodation, obtain a transfer or take a PDL, employees must provide sufficient notice so the Company can make appropriate plans. Thirty days' advance notice is required if the need for the reasonable accommodation, transfer or PDL is foreseeable, otherwise as soon as practicable if the need is an emergency or unforeseeable.

Employees are required to obtain a certification from their health care provider of the need for pregnancy disability leave or the medical advisability of an accommodation or for a transfer. The certification is sufficient if it contains: (1) a description of the requested reasonable accommodation or transfer; (2) a statement describing the medical advisability of the reasonable accommodation or transfer because of pregnancy; and (3) the date on which the need for reasonable accommodation or transfer became or will become medically advisable and the estimated duration of the reasonable accommodation or transfer.

A medical certification indicating disability necessitating a leave is sufficient if it contains: (1) a statement that the employee needs to take pregnancy disability leave because of disability due to pregnancy, childbirth or a related medical condition; (2) the date on which the employee became disabled because of pregnancy; and (3) the estimated duration of the leave.

Upon request, the employee will be provided with a medical certification form that the employee can

take to the doctor.

As a condition of returning from pregnancy disability leave or transfer, the Company requires the employee to obtain a release from a health care provider stating ability to resume the original job duties with or without reasonable accommodation.

PDL is unpaid. At the employee's option, the employee can use any accrued vacation time or other accrued paid time off as part of the PDL before taking the remainder of leave on an unpaid basis. Heartwell/Carriage Crest Homecare requires, however, that the employee use any available sick time during the PDL. The substitution of any paid leave will not extend the duration of the PDL. Employees who participate in the Company's group health insurance plan will continue to participate in the plan while on PDL under the same terms and conditions as if they were working. Benefit continuation under PDL is distinct from benefit continuation for employees who also take birth bonding leave under the California Family Rights Act. Employees should make arrangements for payment of their share of the insurance premiums.

Heartwell/Carriage Crest Homecare encourages employees to contact the California Employment Development Department regarding eligibility for state disability insurance for the unpaid portion of the leave.

If employees do not return to work on the originally scheduled return date, nor request in advance an extension of the agreed upon leave with appropriate medical documentation, they may be deemed to have voluntarily terminated their employment with the Company. Failure to notify the Company of their ability to return to work when it occurs or continued absence from work because the leave must extend beyond the maximum time allowed, may be deemed a voluntary termination of employment with the Company, unless employees are entitled to Family and Medical Leave or entitled to further leave pursuant to applicable law.

Upon return from a covered PDL, the employee, in most instances, will be reinstated to the same position.

Taking a PDL may affect some benefits and the employee's seniority date. The employee may request more information regarding eligibility for PDL and the impact of the leave on seniority and benefits.

Any request for leave after the disability has ended will be treated as a request for family care leave under the California Family Rights Act (CFRA) and the federal Family and Medical Leave Act (FMLA), if the employee is eligible for that type of leave. PDL runs concurrently with FMLA (but not CFRA). Employees should refer to the FMLA policy. Employees who are not eligible for leave under the CFRA or FMLA will have a request for additional leave treated as a request for disability accommodation.

#### **4-9. Time Off For Volunteer Firefighters, Reserve Peace Officers, And Emergency Rescue Personnel**

Employees are permitted unpaid time off from work to perform emergency duty as a volunteer firefighter, reserve peace officer, or emergency rescue personnel.

If the employees request time off under the policy, they must notify their direct supervisor immediately after the need for the leave becomes known.

## **Section 5 - General Standards Of Conduct**

### **5-1. Punctuality And Attendance**

Employees are hired to perform important functions at Heartwell/Carriage Crest Homecare. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive and disruptive and place an unfair burden on fellow employees and supervisors. The Company expects excellent attendance from all employees. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

The Company does recognize, however, that there are times when absences and tardiness cannot be avoided. In such cases, employees are expected to notify supervisors as early as possible, but no later than the start of the workday. Asking another employee, friend, or relative to give this notice is improper and constitutes grounds for disciplinary action. Employees should call, stating the nature of the absence and its expected duration, every day of absenteeism.

Unreported absences of three (3) consecutive workdays generally will be considered a voluntary resignation of employment with the Company.

### **5-2. Use Of Communications And Computer Systems**

Heartwell/Carriage Crest Homecare's communication and computer systems are intended primarily for business purposes; however limited personal usage is permitted if it does not hinder performance of job duties or violate any other Company policy. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of the Heartwell/Carriage Crest Homecare systems.

Heartwell/Carriage Crest Homecare may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when the Company deems it appropriate to do so. The reasons for which the Company may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during the employee's absence.

Further, Heartwell/Carriage Crest Homecare may review Internet usage to ensure that such use with Company property, or communications sent via the Internet with Company property, are appropriate. The reasons for which the Company may review employees' use of the Internet with Company property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Company operations continue appropriately during the employee's absence.

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

The Company's policies prohibiting harassment, in their entirety, apply to the use of Company's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Further, since the Company's communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.

No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.

Violators of this policy may be subject to disciplinary action, up to and including discharge.

### **5-3. Use Of Social Media**

Heartwell/Carriage Crest Homecare respects the right of any employee to maintain a blog or web page or to participate in a social networking on or through websites or services such as X (formerly Twitter), Facebook, Threads, LinkedIn, YouTube, Instagram, TikTok, SnapChat, or similar sites/services (collectively "social media"). However, to protect Company interests and ensure employees focus on their job duties, employees must adhere to the following rules:

Employees may not use social media during work time or at any time with Company equipment or property.

All rules regarding confidential and proprietary business information apply in full to social media. Any information that cannot be disclosed through a conversation, a note, or an e-mail also cannot be disclosed through social media.

When using social media, if the employee mentions the Company and also expresses either a political opinion or an opinion regarding the Company's actions that could pose an actual or potential conflict of interest with the Company, and it is either implicit or explicit that the poster is affiliated with the Company, the poster must include a disclaimer. The poster should specifically state that the opinion expressed is a personal opinion and not the Company's position. This is necessary to preserve the Company's goodwill in the marketplace.

Employees may not use the Company's logos or trademarks for commercial purposes or to endorse any product or service.

Any conduct that is impermissible under the law if expressed in any other form or forum is impermissible if expressed through social media. For example, posted material that is discriminatory, obscene, defamatory, libelous, or violent is forbidden. Company policies apply equally to employee social media usage.

Employees with any questions should review the guidelines above and/or consult with their manager. Failure to follow these guidelines may result in discipline, up to and including discharge.

## 5-4. Personal And Company-Provided Portable Communication Devices

Heartwell/Carriage Crest Homecare-provided portable communication devices (PCDs), including cell phones and personal digital assistants, should be used primarily for business purposes. Employees have no reasonable expectation of privacy in regard to the use of such devices, and all use is subject to monitoring, to the maximum extent permitted by applicable law. This includes, as permitted, the right to monitor personal communications as necessary.

Some employees may be authorized to use their own PCD for business purposes. These employees should work with the IT department to configure their PCD for business use. Communications sent via a personal PCD also may be subject to monitoring if sent through the Company's networks, and the PCD must be provided for inspection and review upon request.

All conversations, text messages, and e-mails must be professional. When sending a text message or using a PCD for business purposes, whether it is a Company-provided or personal device, employees must comply with applicable Company guidelines, including policies on sexual harassment, discrimination, conduct, confidentiality, equipment use, and operation of vehicles. Using a Company-issued PCD to send or receive personal text messages is prohibited at all times and personal use during working hours should be limited to emergency situations.

If employees who use a personal PCD for business resign or are discharged, they will be required to submit the device to the IT department for resetting on or before their last day of work. At that time, the IT department will reset and remove all information from the device, including but not limited to, Company information and personal data (such as contacts, e-mails, and photographs). The IT department will make efforts to provide employees with the personal data in another form (e.g., on a disk) to the extent practicable; however, the employee may lose some or all personal data saved on the device.

Employees may not use their personal PCD for business unless they agree to submit the device to the IT department on or before their last day of work for resetting and removal of Company information. This is the only way currently possible to ensure that all Company information is removed from the device at the time of termination. The removal of Company information is crucial to ensure compliance with the Company's confidentiality and proprietary information policies and objectives.

Please note that whether employees use their personal PCD or a Company-issued device, the Company's electronic communications policies, including but not limited to, proper use of communications and computer systems, remain in effect.

### **Portable Communication Device Use While Driving**

Employees who drive on Company business must abide by all state or local laws prohibiting or limiting PCD (cell phone or personal digital assistant) use while driving. Further, even if usage is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while driving, and

permitted by law, employees must use a hands-free option and advise the caller that they are unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a cell phone while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving are prohibited in all circumstances.

### **5-5. Camera Phones/Recording Devices**

Due to the potential for issues such as invasion of privacy, sexual harassment, and loss of productivity, as well as inappropriate disclosure of confidential information, the use of any type of phone or video recording device, including but not limited to smart devices (phone, watches, glasses), anywhere on Company property or while performing work for the Company, including to record conversations or activities of other employees or management, is strictly prohibited, unless the device was provided by the Company and is used solely for legitimate authorized business purposes.

### **5-6. Inspections**

To the maximum extent permitted by applicable law, Heartwell/Carriage Crest Homecare reserves the right to require employees while on Company property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Company or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to the Company or to its clients. Employees are expected to cooperate in the conduct of any search or inspection.

### **5-7. Smoking**

Smoking, including the use of e-cigarettes, is prohibited on Company premises and in all Company vehicles.

### **5-8. Personal Visits And Telephone Calls**

Disruptions during work time can lead to errors and delays. Therefore, personal telephone calls must be kept to a minimum, and only be made or received after working time, or during lunch or break time.

For safety and security reasons, employees are prohibited from having personal guests visit or accompanying them anywhere in Heartwell/Carriage Crest Homecare facilities other than the reception areas.

## **5-9. Solicitation And Distribution**

To avoid distractions, solicitation by the employee of another employee is prohibited while either employee is on work time. "Work time" is defined as the time the employee is engaged, or should be engaged, in performing their work tasks for Heartwell/Carriage Crest Homecare. Solicitation of any kind by non-employees on Company premises is prohibited at all times.

Distribution of advertising material, handbills, printed or written literature of any kind in working areas of the Company is prohibited at all times. Distribution of literature by non-employees on Company premises is prohibited at all times.

## **5-10. Bulletin Boards**

Important notices and items of general interest are continually posted on Heartwell/Carriage Crest Homecare bulletin boards. Employees should make it a practice to review bulletin boards frequently. This will assist employees in keeping up with what is current at Heartwell/Carriage Crest Homecare. To avoid confusion, employees should not post or remove any material from the bulletin board.

## **5-11. Confidential Company Information**

During the course of work, employees may become aware of confidential information about Heartwell/Carriage Crest Homecare's business, including but not limited to information regarding Company finances, pricing, products, and new product development, software, and computer programs, marketing strategies, suppliers, and customers and potential customers. Employees also may become aware of similar confidential information belonging to the Company's clients. It is extremely important that all such information remain confidential, and particularly not be disclosed to Heartwell/Carriage Crest Homecare's competitors. Any employee who improperly copies, removes (whether physically or electronically), uses, or discloses confidential information to anyone outside of the Company may be subject to disciplinary action up to and including termination. Employees may be required to sign an agreement reiterating these obligations.

## **5-12. Conflict Of Interest And Business Ethics**

It is Heartwell/Carriage Crest Homecare's policy that all employees avoid any conflict between their personal interests and those of the Company. The purpose of this policy is to ensure that the Company's honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of the Company.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. Holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with the Company, by any employee who is in a position to

directly or indirectly influence either the Company's decision to do business, or the terms upon which business would be done with such organization;

2. Holding any interest in an organization that competes with the Company;
3. Being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with the Company or which competes with the Company; and/or
4. Profiting personally, e.g., through commissions, loans, expense reimbursements, or other payments, from any organization seeking to do business with the Company.

A conflict of interest would also exist when a member of the employee's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is the employee's responsibility to report any actual or potential conflict that may exist between the employee (and the employee's immediate family) and the Company.

### **5-13. Use Of Facilities, Equipment And Property, Including Intellectual Property**

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

Employees should notify their supervisor if any equipment, machines, or tools appear to be damaged, defective or in need of repair. Prompt reporting of loss, damages, defects and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. Supervisors can answer any questions about the employees' responsibility for maintenance and care of equipment used on the job.

Employees also are prohibited from any unauthorized use of the Company's intellectual property, such as audio and video tapes, print materials and software.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

Further, the Company is not responsible for any damage to employees' personal belongings unless the employee's supervisor provided advance approval for the employee to bring the personal property to work.

### **5-14. Health And Safety**

The health and safety of employees and others on Company property are of critical concern to Heartwell/Carriage Crest Homecare. The Company intends to comply with all health and safety laws applicable to our business. To this end, the Company must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management

immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on the Company's premises, or in a product, facility, piece of equipment, process, or business practice for which the Company is responsible should be brought to the attention of management immediately.

Periodically, the Company may issue rules and guidelines governing workplace safety and health. The Company may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste. All employees should familiarize themselves with these rules and guidelines as strict compliance will be expected.

Any workplace injury, accident, or illness must be reported to the employee's supervisor as soon as possible, regardless of the severity of the injury or accident.

## **5-15. Hiring Relatives/Employee Relationships**

A familial relationship among employees can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, Heartwell/Carriage Crest Homecare may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

In other cases, such as personal relationships where a conflict or the potential for conflict arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or discharged from employment, at the discretion of the Company. Accordingly, all parties to any type of intimate personal relationship must inform management.

If two employees marry, become related, or enter into an intimate relationship, they may not remain in a reporting relationship or in positions where one individual may affect the compensation or other terms or conditions of employment of the other individual. The Company generally will attempt to identify other available positions, but if no alternate position is available, the Company retains the right to decide which employee will remain with the Company.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

## **5-16. Employee Dress And Personal Appearance**

Employees are expected to report to work well groomed, clean, and dressed according to the requirements of their position. Some employees may be required to wear uniforms or safety equipment/clothing. Employees should contact their supervisor for specific information regarding acceptable attire for their position. If employees report to work dressed or groomed inappropriately, they may be prevented from working until they return to work well groomed and wearing the proper attire.

## **5-17. Publicity/Statements To The Media**

All media inquiries seeking the Company's official position as to any issue of the Company must be referred to the Head of Human Resources. Only the Head of Human Resources is authorized to make or approve public statements on behalf of the Company. No employees, unless specifically designated by the Head of Human Resources, are authorized to make those statements on behalf of the Company. Any employee wishing to write and/or publish an article, paper, or other publication on behalf of the Company must first obtain approval from the Head of Human Resources.

## **5-18. Operation Of Vehicles**

All employees authorized to drive Company-owned or leased vehicles or personal vehicles in conducting Company business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

Employees must have a valid driver's license in their possession while operating a vehicle off or on Company property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times.

Company-owned or leased vehicles may be used only as authorized by management.

### **Portable Communication Device Use While Driving**

Employees who drive on Company business must abide by all state or local laws prohibiting or limiting portable communication device (PCD) use, including cell phones or personal digital assistants, while driving. Further, even if use is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via the PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employees are driving, and permitted by law, they must use a hands-free option and advise the caller that they are unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a PCD while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving is prohibited in all circumstances.

## 5-19. Business Expense Reimbursement

Heartwell/Carriage Crest Homecare will reimburse employees for reasonable expenses incurred for business purposes including, but not limited to, meals, lodging, and transportation. Mileage driven in a personal automobile for business purposes will be reimbursed at the current IRS-approved rate per mile. All business travel and business purchases must be approved in advance by the employee's Supervisor.

Employees should complete expense reimbursement reports within 3 days of incurring the expenses and submit the reports and receipts to the CFO.

## 5-20. References

Heartwell/Carriage Crest Homecare will respond to reference requests through the Human Resources Department. The Company will provide general information concerning the employee such as date of hire, date of discharge, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to the Human Resources Department.

**Only the Human Resources Department may provide references.**

## 5-21. If You Must Leave Us

Should any employees decide to leave the Company, we ask that they provide a supervisor with at least Two Weeks advance notice of departure. Thoughtfulness will be appreciated. All Company property including, but not limited to, keys, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. Employees also must return all the Company's confidential information upon separation. To the extent permitted by law, employees will be required to repay the Company (through payroll deduction, if lawful) for any lost or damaged Company property.

## 5-22. A Few Closing Words

This manual is intended to give employees a broad summary of things they should know about Heartwell/Carriage Crest Homecare. The information in this manual is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this manual, Heartwell/Carriage Crest Homecare, in its sole discretion, may always amend, add to, delete from or modify the provisions of this manual and/or change its interpretation of any provision set forth in this manual. Employees should not hesitate to speak to management if they have any questions about the Company or its personnel policies and practices.