



Revised 2016

Employee Handbook

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WELCOME TO LIA'S RAINBOW

LIA'S RAINBOW LLC has prepared this handbook to provide you with an overview of its policies, benefits, and rules. It is intended to familiarize you with important information about Lia's Rainbow LLC, as well as provide guidelines for your employment experience with us in an effort to foster a safe and healthy work environment. Please understand that this booklet only highlights company policies, practices, and benefits for your personal understanding and cannot, therefore, be construed as a legal document. It is intended to provide general information about the policies, benefits, and a regulation governing the employees of Lia's Rainbow LLC, and is not intended to be an express or implied contract. The guidelines presented in this handbook are not intended to be a substitute for sound management, judgment, and discretion.

It is obviously not possible to anticipate every situation that may arise in the workplace or to provide information that answers every possible question. In addition, circumstances will undoubtedly require that policies, practices, and benefits described in this handbook change from time to time. Accordingly, Lia's Rainbow LLC reserves the right to modify, supplement, rescind, or revise any provision of this handbook from time to time as it deems necessary or appropriate in its sole discretion with or without notice to you.

No business is free from day-to-day problems, but we believe our personnel policies and practices will help resolve such problems. All of us must work together to make Lia's Rainbow LLC a viable, healthy, and profitable organization. This is the only way we can provide a satisfactory working environment that promotes genuine concern and respect for others including all employees and our customers. If any statements in this handbook are not clear to you, please contact Lia's Rainbow LLC president or the designated representative for clarification. This handbook supersedes any and all prior policies, procedures, and handbooks of Lia's Rainbow LLC.

COMPANY PHILOSOPHY

OPEN-DOOR POLICY

In keeping with Lia's Rainbow LLC philosophy of open communication, all employees have the right and are encouraged to speak freely with management about their job-related concerns.

We urge you to go directly to your supervisor to discuss your job-related ideas, recommendations, concerns and other issues which are important to you. If, after talking with your supervisor, you feel the need for additional discussion, you are encouraged to speak with Lia's Rainbow LLC president.

The most important relationship you will develop at Lia's Rainbow LLC will be between you and your supervisor. However, should you need support from someone other than your supervisor, the entire management team, including Lia's Rainbow LLC president, is committed to resolving your individual concerns in a timely and appropriate manner.

EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of Lia's Rainbow LLC to provide equal employment opportunity to all employees and applicants for employment and not to discriminate on any basis prohibited by law, including race, color, sex, age, religion, national origin, disability, marital status or veteran status. It is our intent and desire that equal employment opportunities will be provided in employment, recruitment, selection, compensation, benefits, promotion, demotion, layoff, termination and all other terms and conditions of employment. The President of Lia's Rainbow LLC and all managerial personnel are committed to this policy and its enforcement.

Employees are directed to bring any violation of this policy to the immediate attention of their supervisor or Lia's Rainbow LLC president. Any employee who violates this policy or knowingly retaliates against an employee reporting or complaining of a violation of this policy shall be subject to immediate disciplinary action, up to and including discharge. Complaints brought under this policy will be promptly investigated and handled with due regard for the privacy and respect of all involved.

HARASSMENT POLICY

Lia's Rainbow LLC will not tolerate harassment or intimidation of our employees on any basis prohibited by law, including race, color, sex, age, religion, national origin, handicap, disability, marital status, or veteran status. Moreover, any suggestions made to any employee that sexual favors will affect any term or condition of employment with Lia's Rainbow LLC will not be tolerated. It is the policy of Lia's Rainbow LLC that any harassment, including acts creating a hostile work environment or any other discriminatory acts directed against our employees, will result in discipline, up to and including discharge. Lia's Rainbow LLC also will not tolerate any such harassment of our employees by our clients or vendors.

For purposes of this policy, sexual harassment is defined as any type of sexually-oriented conduct, whether intentional or not, that is unwelcome and has the purpose or effect of creating a work environment that is hostile, offensive or coercive. The following are examples of conduct that, depending upon the circumstances, may constitute sexual harassment:

- Unwelcome sexual jokes, language, epithets, advances or propositions;
- Written or oral abuse of a sexual nature, sexually degrading or vulgar words to describe an individual;
- The display of sexually suggestive objects, pictures, posters or cartoons;
- Unwelcome comments about an individual's body;
- Asking questions about sexual conduct;
- Unwelcome touching, leering, whistling, brushing against the body, or suggestive, insulting or obscene comments or gestures;
- Demanding sexual favors in exchange for favorable reviews, assignments, promotions, or continued employment, or promises of the same.

Employees must bring any violation of this policy to the immediate attention of their

supervisor or Lia's Rainbow LLC president. Lia's Rainbow LLC will thoroughly investigate all such

Claims with due regard for the privacy of the individuals involved. Any employee who knowingly retaliates against an employee who has reported workplace harassment or discrimination shall be subject to immediate disciplinary action, up to and including discharge.

WORKING AND COMPENSATION

EMPLOYMENT ON AN AT-WILL BASIS

All employees of Lia's Rainbow LLC, regardless of their classification or position, are employed on an at-will basis. This means that each employee's employment is terminable at the will of the employee or Lia's Rainbow LLC at any time, with or without cause and with or without notice. No officer, agent, representative, or employee of Lia's Rainbow LLC has any authority to enter into any agreement with any employee or applicant for employment on other than on an at-will basis. Furthermore, nothing contained in the policies, procedures, handbooks, manuals, job descriptions, application for employment, or any other document of Lia's Rainbow LLC shall in any way create an express or implied contract of employment or an employment relationship on other than an at-will basis.

ATTENDANCE AND REPORTING TO WORK

Each employee is important to the overall success of our operation. When you are not here, someone else must do your job. Consequently, you are expected to report to work on time at the scheduled start of the workday. Reporting to work on time means that you are ready to start work, not just arriving at work, at your scheduled starting time.

Lia's Rainbow LLC depends on its employees to be at work at the times and locations scheduled. Excessive absenteeism and/or tardiness will lead to disciplinary action, up to and including termination. The determination of excessive absenteeism will be made at the discretion of Lia's Rainbow LLC. Absence from work for three consecutive days without properly notifying your supervisor will be considered a voluntary resignation. After two days' absence, you may be required to provide documentation from your physician to support an injury- or illness-related absence, and to ensure that you may safely return to work.

If you expect to be absent from the job for an approved reason (e.g., paid time off or a leave of absence), you should notify your supervisor of your upcoming absence as far in advance as possible. If you unexpectedly need to be absent from or late to work, you must notify your supervisor prior to the start of your scheduled workday that you will be late or absent and provide the reason for that absence or tardiness. If your supervisor is not available, you should contact Lia's Rainbow LLC main office prior to the start of your scheduled workday. Leave your number so that your supervisor can return your call. Failure to properly contact us will result in an unexcused absence for disciplinary purposes. Your attendance record is a part of your overall performance rating. Your attendance may be included during your review and may be considered for other disciplinary action up to and including termination.

Where possible, medical and dental appointments should be scheduled around your

assigned work hours; otherwise, they may be considered absences without pay. If you are unable to schedule an appointment before or after your shift, you are required to talk to your supervisor to make special arrangements.

WORKDAY HOURS AND SCHEDULING

The regularly scheduled workday for our business office is: Monday through Sunday, 7:00 a.m. to 6:00 p.m. The usual expected workday at jobsites is 7.00 a.m. to 5:00 a.m. These start and end times are only guidelines, however, and employees are required to be present for work during the workday established for them by their supervisors or by Lia's Rainbow LLC president.

Particularly at jobsites, this regular schedule may vary depending on such factors as assigned shift, weather. If you are unsure about expected starting times on any particular job assignment, ask your supervisor for clarification.

In case of unplanned conditions, such as bad weather, that may force a schedule change at the last minute, you should contact your supervisor or call the office directly.

Lia's Rainbow LLC does not generally schedule rest periods or breaks, other than meal breaks, during the workday. However, if Lia's Rainbow LLC does schedule such rest periods or breaks, they will be paid breaks and will usually be for 15 minutes. For lunch or meals, our policy is:

- Field employee meals will be 1 hour.
- Office employee meals will be 1 hour.
- The meal period is unpaid.
- All employees are required to take a lunch break and no employee is authorized, without prior supervisory approval, to perform work during the lunch period.

RECORDING HOURS WORKED

All hourly employees are required to clock in and out. ADP EZ labor management time clock has been provided for all employees. You must correctly record the job number and only you are authorized to record your own time.

Incomplete, falsified or failure to clock in and out before the end of our Biweekly pay period, may delay your paycheck or direct deposit for that pay period.

PAY PERIOD AND PAYDAY

Lia's Rainbow LLC issues direct deposits, on a bi-weekly basis. Pay dates under the discretion of management might be paid 2 days early or on the pay date. If an employee uses direct deposit, the employee's pay may not be available for withdrawal from his or her bank account until the following Monday based on when the pay period ends. Some pay periods ends on a Saturday.

WORKWEEK & OVERTIME

Lia's Rainbow LLC workweek begins on Monday at 7.00 a.m. and ends on Sunday at 5.00 am.

Occasionally it may be necessary for an employee to work beyond his or her normal workday hours. Overtime pay is paid only when work is scheduled, approved, and made known to you in advance by your supervisor. Under no circumstances shall an employee work overtime without the prior approval of his or her supervisor.

Full time and part time hourly employees will receive overtime pay at a rate of one-and-one-half times their regular hourly rate for all hours worked in excess of 40 in a workweek.

To the extent possible, overtime will be distributed equally among all employees in the same classification and position, provided that the employees concerned are equally capable of performing the available work. Decisions regarding overtime work will be made by the Production Coordinator or his/her representative. Any employee asked to work overtime will be expected to rearrange his/her personal schedule to work the requested overtime.

HOLIDAYS

Lia's Rainbow LLC observes the following federal holidays:

- New Year's Day
- Martin Luther King Jr. Day
- President's Day
- Emancipation Day
- Memorial Day
- Fourth of July
- Labor Day
- Veterans Day
- Thanksgiving and the day after
- Christmas
- New Years Eve

Full-time employees will be paid for these holidays as long as the employee was present for work on the workdays immediately before and after that holiday, or had an acceptable excuse for being absent on any such days. If a paid holiday falls within an employee's vacation period, the holiday will not be counted as a vacation day.

Part-time employees are not eligible for holiday pay.

INCLEMENT WEATHER

In the case of inclement weather, Lia's Rainbow LLC will follow the guidelines as set forth by the District of Columbia Public School System.

EMPLOYMENT CLASSIFICATIONS

Upon being hired by Lia's Rainbow LLC, all new employees must serve a ninety (90) calendar day introductory period. It is especially important that you make your supervisor aware of any questions or problems you may encounter during this period.

Your performance will be carefully monitored during this period. At the end of the introductory period, your performance will be reviewed, and if it has been satisfactory, you will become a Regular Full-Time or Regular Part-Time Employee. Satisfactory completion of the introductory period does not entitle you to employment for any specific term, but does entitle you to participation in many of Lia's Rainbow LLC employee benefits programs.

For the sole purpose of determining the allowance of certain employee benefits, employees are classified as:

1. Regular Full-Time Employees - An employee who has satisfactorily completed the introductory period and is scheduled to work an average of forty (40) hours per week on a regular and continuous basis.
2. Regular Part-Time Employees - An employee who has satisfactorily completed the introductory period and is usually scheduled to work less than an average of forty (40) hours per week but not less than ten (10) hours per week on a regular and continuous basis.
3. Temporary Employees - An employee whose services are anticipated to be of limited duration falls into this classification. Temporary employees are not eligible for participation in those employee benefits programs made available for Lia's Rainbow LLC Regular Full-Time and Regular Part-Time Employees, although separate benefit plans may be available for certain temporary employees assigned to work at Lia's Rainbow LLC. Any such employees will be separately notified of any such programs. Service as a temporary does not count as service as a Regular Employee for benefit eligibility purposes.

For payroll purposes, employees will be classified as one of the following:

1. Exempt Employees - Certain employees such as executive, administrative, professional and outside sales employees are paid on a salary basis for all hours worked each week. Certain computer professionals may also be exempt, regardless of whether they are paid on a salary or hourly basis. These employees are expected to work whatever hours are required to accomplish their duties, even if it exceeds their normal workweek. No overtime premium pay will be paid to exempt employees in most circumstances.
2. Non-Exempt Employees - All employees who are not identified as exempt

employees are considered non-exempt employees. Non-exempt employees are eligible for payment of overtime premium pay.

MAINTAINING YOUR PERSONNEL RECORDS

It is your responsibility to provide current information regarding your address, telephone number, insurance beneficiaries, change in dependents, marital status, etc.

Please use the personnel records form to note any changes in your address, phone number, emergency contact information, marital status, number of dependents, etc. Changes in exemptions for tax purposes will only be made upon the receipt of a completed W-4 form.

PERSONNEL FILES

Employee personnel files are the property of Lia's Rainbow LLC, and do not belong to the employee. However, upon request, Lia's Rainbow LLC will provide employees with copies of performance evaluations and other performance-related documents that the employee has previously received.

PERFORMANCE EVALUATIONS

Employees may have their job performance reviewed on an annual basis by either their supervisor or by the president of Lia's Rainbow LLC.

STANDARDS AND EXPECTATIONS FOR THE WORKPLACE SAFETY

Lia's Rainbow LLC believes in maintaining safe and healthy working conditions for our employees. However, to achieve our goal of providing a safe workplace each employee must be safety conscious. We have established the following policies and procedures that allow us to provide safe and healthy working conditions. We expect each employee to follow these policies and procedures, to act safely, and to report unsafe conditions to his or her supervisor in a timely manner.

REPORTING UNSAFE CONDITIONS OR PRACTICES

Employees are expected to continually be on the lookout for unsafe working conditions or practices. If you observe an unsafe condition, you should warn others, if possible, and report that condition to your supervisor immediately. If you have a question regarding the safety of your workplace and practices, ask your supervisor for clarification.

If you observe a coworker using an unsafe practice, you are expected to mention this to the coworker and to your supervisor. Likewise, if a coworker brings to your attention an unsafe practice you may be using, please thank the coworker and make any necessary adjustments to what you are doing. Safety at work is a team effort.

MAINTAINING A SAFE WORKSITE

We expect employees to establish and maintain a safe worksite. This includes but is not limited to the following applications:

- Maintaining proper fall-protection systems.
- Building and maintaining walkways, handrails, and guardrails.
- Properly lifting and lowering heavy objects.
- Inspecting tools and equipment for defects before use.
- Keeping walkways clear of debris.
- Construction and use of safe scaffolding.
- Inspecting, cleaning, and properly storing tools and equipment after use.
- Following established safety rules.

USING SAFETY EQUIPMENT

Where needed, Lia's Rainbow LLC provides its employees with appropriate safety equipment and devices. You are required to use the equipment provided in the manner designated as proper and safe by the manufacturer. Failure to properly use safety equipment may lead to disciplinary action, up to and including termination.

If you require safety equipment that has not been provided, contact your supervisor before performing the job duty for which you need the safety equipment.

REPORTING AN INJURY

Employees are required to report any injury, accident, or safety hazard immediately to their supervisors). Minor cuts or abrasions must be treated on the spot. More serious injuries or accidents will be treated accordingly. Serious injuries must be reported on the injury or accident report form available in the office.

HAZARD COMMUNICATIONS

If you believe that you are dealing with a hazardous material and lack the appropriate information and/or safety equipment, contact your supervisor immediately.

CARE OF EQUIPMENT AND SUPPLIES

All employees are expected to take care of all equipment and supplies provided to them. You are responsible for maintaining this material in proper working condition and for promptly reporting any unsafe or improper functioning of this material to your supervisor.

Neglect, theft, and/or destruction of Lia's Rainbow LLC materials are grounds for disciplinary action, up to and including termination.

SMOKING IN THE WORKPLACE

Lia's Rainbow LLC policy is to provide smoke-free environments for our employees, customers, and the general public. Smoking of any kind is prohibited inside our office and on our worksites. Employees are not permitted to smoke on scheduled breaks or during meal times, on or off the worksite or office. Employees who are reported/observed smoking will be asked to leave for the remainder of the day. Repeated occurrences will result in disciplinary action up to and including discharge.

Employees are also responsible to inform all those working on our job sites of this smoke-free policy, and report to their supervisor any violation of this policy.

VIOLENCE AND WEAPONS

Lia's Rainbow LLC believes in maintaining a safe and healthy workplace, in part by promoting open, friendly, and supportive working relationships among all employees. Violence or threats of violence have no place in our business. Violence is not an effective solution to any problem. Employees are strictly prohibited from bringing any weapons, including knives, pistols, rifles, stun guns, Mace, etc., to the worksite or office. Neither threats of violence nor fighting will be tolerated. Furthermore, if you have a problem that is creating stress or otherwise making you agitated, you are encouraged to discuss it with your supervisor.

You are expected to immediately report to your supervisor any violation of this policy. Any employee found threatening another employee, fighting, and/or carrying weapons to the worksite will be subject to disciplinary action, up to and including termination.

DRUG-FREE WORKPLACE

Lia's Rainbow LLC does not tolerate the presence of illegal drugs or the illegal use of legal drugs in our workplace. The use, possession, distribution, or sale of controlled substances such as drugs or alcohol, or being under the influence of such controlled substances is strictly prohibited while on duty, while on Lia's Rainbow LLC premises or worksites, or while operating Lia's Rainbow LLC equipment or vehicles. The use of illegal drugs as well as the illegal use of legal drugs is a threat to us all because it promotes problems with safety, customer service, productivity, and our ability to survive and prosper as a business. If you need to take a prescription drug that affects your ability to perform your job duties, you are required to discuss possible accommodations with your supervisor. Violation of this policy will result in disciplinary action, up to and including termination.

Prior to employment, each potential employee must undergo a drug test. Lia's Rainbow LLC may also require employees to take random drug tests during their employment with Lia's Rainbow LLC. A positive result on any such drug test is grounds for immediate termination.

Your receipt of this policy statement and signature on the handbook acknowledgment form signify your agreement to comply with this policy.

Any employee who is convicted of violating criminal drug statutes must notify an appropriate officer or senior official of Lia's Rainbow LLC of that conviction within five

days of the conviction. Failure to do so may lead to disciplinary action.

RESPONDING TO CUSTOMER INQUIRIES AND PROBLEMS

At Lia's Rainbow LLC, client satisfaction is the measure of our success. It is the responsibility of each employee, within reason, to interact with the client to achieve this goal.

APPEARANCE AND DRESS

To present a business-like, professional image to our customers and the public, all employees are required to wear appropriate clothing on the job. By necessity, the dress standards for the business office are somewhat different than for jobsites.

- **For the business office,** casual to business-style dress is appropriate. Employees should be neatly groomed and clothes should be clean and in good repair. Leisure clothes such as cut-offs or halter tops are not acceptable attire for the business office. Lia's Rainbow LLC will provide employees with shirts bearing Lia's Rainbow LLC logo, which employees are expected to wear as appropriate in the business office when necessary.
- **For jobsites,** employees are expected to wear work clothes appropriate for work to be done. Employees should be sensitive to the location and context of their work and should be ready to adjust their dress if the circumstances so warrant. Employees at a jobsite should wear clothing that protects their safety (steel-toed shoes, for example) and wear clothing in such a way as to be safe (e.g., shirts tucked in when working around machinery). Lia's Rainbow LLC will provide employees with t-shirts bearing our logo at the cost of \$10.00, which employees are expected to wear on the jobsite when necessary.

CONFLICTS OF INTEREST

You should avoid external business, financial, or employment interests that conflict with Lia's Rainbow LLC business interests or with your ability to perform your job duties. This applies to your possible relationships with any other employer, parent, consultant, contractor, customer, or supplier.

Violations of this rule may lead to disciplinary action, up to and including termination.

CODE OF ETHICAL CONDUCT

In order to avoid any appearance of a conflict of interest, employees are expected to abide by the following code of ethical conduct. Please consult your supervisor or an official of Lia's Rainbow LLC if you have any questions.

Employees of Lia's Rainbow LLC should not solicit anything of value from any person or organization with which Lia's Rainbow LLC has a current or potential business relationship.

Employees of Lia's Rainbow LLC should not accept any item of value from any party in exchange for or in connection with a business transaction between Lia's Rainbow LLC and that other party.

Employees may accept items of incidental value (generally, no more than \$25) from

customers, suppliers, or others as long as the gift is not given in response to solicitation on your part and as long as it implies no exchange for business purposes. Items may include gifts, gratuities, food, drink and entertainment.

If you are faced with and are unsure how to handle a situation that you believe has the potential to violate this code of ethical conduct, notify your supervisor or Lia's Rainbow president.

Violations of this code may lead to disciplinary action, up to and including termination.

SOLICITATION AND DISTRIBUTION

For the safety, convenience, and protection of all employees, Lia's Rainbow LLC has adopted the following rules concerning solicitation and the distribution of materials:

- Lia's Rainbow LLC prohibits solicitation and distribution of non-company materials on Company property or at Company jobsites at all times.

PERSONAL CALLS, VISITS, AND BUSINESS

Lia's Rainbow LLC expects the full attention of its employees while they are working. Although employees may occasionally have to take care of personal matters during the workday, employees should try to conduct such personal business either before or after the workday or during breaks or meal periods. Regardless of when any personal call is made, it should be kept short.

Employees should also limit incoming personal calls, visits, or personal transactions. Lia's Rainbow LLC phones should be available to serve Lia's Rainbow LLC customers, and non-business use of the phones can hurt Lia's Rainbow LLC business. A pattern of excessive personal phone calls, personal visits, and or private business dealings is not acceptable and may lead to disciplinary action.

BUSINESS EXPENSES

Employees may occasionally incur expenses on behalf of Lia's Rainbow LLC. Lia's Rainbow LLC will reimburse employees for typical business expenses, such as mileage (for example, when Lia's Rainbow LLC asks an employee to travel to a different jobsite during the workday) and certain job-related supplies or materials. Lia's Rainbow LLC will pay mileage reimbursements at the end of each month, upon receipt of the employee's mileage record. In order to be reimbursed for job-related supplies or materials, employees must deliver a receipt for the supplies or materials to Lia's Rainbow LLC business office within 7 days of the purchase. Employees may also turn in such receipts by attaching them to the employee's weekly time sheet for the week in which the employee made the purchase.

INSPECTION OF PERSONAL AND COMPANY PROPERTY

Lia's Rainbow LLC employees use the property and equipment Lia's Rainbow LLC owns and provides, and may also use Lia's Rainbow LLC materials, information, and other supplies. While employees may decorate their office workspaces with their personal possessions (such as pictures, plants, and the like), employees must remember that property supplied by Lia's Rainbow LLC remains the property of Lia's Rainbow LLC. Lia's Rainbow LLC reserves the right to search any Company property (e.g., personal computers, desks, lockers, or other storage areas) at any time. Lia's Rainbow LLC also reserves the right to inspect personal property (e.g., tool boxes, purses, briefcases) during the workday or as employees leave their worksites. Refusal to allow inspection may lead to disciplinary action, up to and including termination.

NETWORK AND ELECTRONIC RESOURCES POLICY

Network and Electronic Resources, such as computers, other hardware, software, e-mail, landline and cellular telephones, fax machines and internet access, are tools that Lia's Rainbow LLC provides its employees to assist them in their work. These Network and Electronic Resources and related access systems are proprietary Company property and subject to review or access by Lia's Rainbow LLC at any time.

All employees who use Lia's Rainbow LLC Network and Electronic Resources must follow the guidelines below:

1. Use Network and Electronic Resources for Company business purposes only.
2. Messages and communications sent via Lia's Rainbow LLC Network and Electronic Resources are subject to subpoena and access by persons outside Lia's Rainbow LLC and may be used in legal proceedings. Please consider this before sending any confidential messages or material via the Network and Electronic Resources.
3. E-Mail is not a substitute for face-to-face communication. If you have a conflict with someone or need to discuss an important issue, it should be handled in person or over the telephone if a meeting is not possible.
4. Remember that all of Lia's Rainbow LLC policies, including but not limited to policies on Equal Employment Opportunity, Harassment, Confidentiality, Personal Conduct and Rules of Conduct, apply to the use of the Company's Network and Electronic Resources. Employees must not review or forward sexually explicit, profane or otherwise unprofessional or unlawful material through Lia's Rainbow LLC Network and Electronic Resources.

5. Passwords protecting the use of Lia's Rainbow LLC Network and Electronic Resources are Lia's Rainbow LLC property and will be assigned to employees as needed.
6. Employees may not change passwords without the consent of Lia's Rainbow president. Employees must notify Lia's Rainbow LLC president of all passwords and encryption keys assigned to or used by them, and must notify Lia's Rainbow LLC president of any changes to such passwords or encryption keys.
7. Do not install any software or program on any Company computer or other hardware without the express consent of your supervisor or the company president.
8. Lia's Rainbow LLC expressly prohibits the unauthorized use, installation, copying or distribution of copyrighted, trademarked or patented material.
9. Employees must not attempt to override or evade any program or measure installed by Lia's Rainbow LLC to protect the security or limit the use of its Network and Electronic Resources.

Lia's Rainbow LLC retains the right to review all communications conducted and data saved, reviewed or accessed via Lia's Rainbow LLC Network and Electronic Resources, including Company computers, e-mail and internet access. Lia's Rainbow LLC does not permit its non-management employees to access or use any Company password, e-mail or internet access other than their own. Inappropriate use of Network and Electronic Resources may result in discipline, up to and including discharge. Employees should be careful to safeguard their passwords, log off their terminals when not in use and not permit others to access Company systems.

CONFIDENTIAL AND PROPRIETARY INFORMATION

Lia's Rainbow LLC considers its confidential and proprietary information, including the confidential and proprietary information of our customers, to be one of its most valuable assets. As a result, employees must carefully protect and must not disclose to any third party all confidential and proprietary information belonging to Lia's Rainbow LLC or its customers. Such protected information includes, but is not limited to, the following: matters of a technical nature, such as computer software, product sources, product research and designs; and matters of a business nature, such as customer lists, customer contact information, associate information, on-site program and support materials, candidate and recruit lists and information, personnel information, placement information, pricing lists, training programs, contracts, sales reports, sales, financial and marketing data, systems, forms, methods, procedures, and analyses, and any other proprietary information, whether communicated orally or in documentary, computerized or other tangible form, concerning Lia's Rainbow LLC or its customers' operations and business.

Employees should ensure that any materials containing confidential or proprietary information are filed and/or locked up before leaving their work areas each day. During the workday, employees should not leave any sensitive information lying about or unguarded.

If you have any questions about this policy, consult your supervisor or Lia's Rainbow LLC president.

RULES OF CONDUCT AND PROGRESSIVE DISCIPLINARY PROCEDURE

There are reasonable rules of conduct which must be followed in any organization to help a group of people work together effectively. Lia's Rainbow LLC expects each employee to present him or herself in a professional appearance and manner. If an employee is not considerate of others and does not observe reasonable work rules, disciplinary action will be taken.

Depending on the severity or frequency of the disciplinary problems, a verbal or written reprimand, suspension without pay, disciplinary probation, or discharge may be necessary. It is within Lia's Rainbow LLC sole discretion to select the appropriate disciplinary action to be taken. Notwithstanding the availability of the various disciplinary options, Lia's Rainbow LLC reserves the right to discharge an employee at its discretion, with or without notice.

The following is not a complete list of offenses for which an employee may be subject to discipline, but it is illustrative of those offenses that may result in immediate discipline, up to and including dismissal, for a single offense:

1. Excessive absenteeism or tardiness.
2. Dishonesty, including falsification of Company-related documents, or misrepresentation of any fact.
3. Fighting, disorderly conduct, horseplay, or any other behavior which is dangerous or disruptive.
4. Possession of, consumption of, or being under the influence of alcoholic beverages while on Company or customer premises or on Company business.
5. Illegal manufacture, distribution, dispensation, sale, possession, or use of illegal drugs or unprescribed controlled substances.
6. Reporting for work with illegal drugs or unprescribed controlled substances in your body.
7. Possession of weapons, firearms, ammunition, explosives, or fireworks on Company or customer premises.
8. Failure to promptly report a workplace injury or accident involving any of

- Lia's Rainbow LLC employees, clients, equipment, or property.
9. Willful neglect of safety practices, rules, and policies.
 10. Speeding or reckless driving on Company business.
 11. Commission of a crime, or other conduct which may damage the reputation of Lia's Rainbow LLC.
 12. Use of profane language while on company business.
 13. Stealing, misappropriating, or intentionally damaging property belonging to Lia's Rainbow LLC or its customers or employees.
 14. Unauthorized use of Lia's Rainbow LLC or its clients' name, logo, funds, equipment, vehicles, or property.
 15. Insubordination, including failure to comply with any work assignments or instructions given by any Company supervisor with the authority to do so.
 16. Violation of Lia's Rainbow LLC Equal Employment Opportunity Policy or its Harassment Policy.
 17. Interference with the work performance of other employees.
 18. Failure to cooperate with an internal investigation, including, but not limited to, investigations of violations of these work rule
 19. Failure to maintain the confidentiality of trade secrets or other confidential information belonging to Lia's Rainbow LLC or its customers

Failure to comply with the personnel policies and rules of Lia's Rainbow LLC.

RE-EMPLOYMENT

Former employees who are rehired and return to work within three months of their termination will not be required to go through another orientation period, unless Lia's Rainbow LLC deems it necessary. Former employees who are rehired and return to work more than three months after their termination will be rehired only as new employees and must complete a new orientation period. They will be considered new employees for any and all benefits. As a general rule, Lia's Rainbow LLC will not rehire former employees who:

- Were dismissed by Lia's Rainbow LLC
- Resigned without giving two weeks' notice
- Were dismissed for inability to perform job duties
- Had a poor attendance record
- Had a below-average evaluation
- Violated work rules or safety rules

MOONLIGHTING

Lia's Rainbow LLC discourages our employees from taking additional outside employment with Lia's Rainbow LLC parents, vendors, and consultants. Employees who wish to take on outside employment with such named associates must first obtain permission from Lia's Rainbow LLC president. Work requirements for Lia's Rainbow LLC, including overtime, must take precedence over any outside employment.

Lia's Rainbow LLC will not permit any employee to take an outside job with a company in the same or related business as Lia's Rainbow LLC, or which is in any way a competitor of Lia's Rainbow LLC.

If Lia's Rainbow LLC permits an employee to take outside employment, the employee must report to his or her supervisor when the outside job has started. If, as a result of this moonlighting, the employee is unable to work when requested by Lia's Rainbow LLC, including overtime, or is unable to maintain a high work performance level at Lia's Rainbow LLC, permission to work at the outside job may be rescinded, or the employee may be subject to dismissal.

Employees are not permitted to work for any client of Lia's Rainbow LLC outside of the regular working hours as described above, without the express approval of Lia's Rainbow LLC president or his designated representative.

Lia's Rainbow LLC will not pay medical benefits for injuries or sickness resulting from employment by any employer other than Lia's Rainbow LLC.

BENEFITS

PAID TIME OFF

Lia's Rainbow LLC provides its full-time employees with paid time off ("PTO") each year as a way to express our appreciation and a way to renew and refresh our employees. Because our business is often very seasonal, Lia's Rainbow LLC reserves the right to grant PTO at times that are most suitable for our business conditions and to limit PTO during our busy season.

Full-time employees become eligible for 5 days (40 hours) of PTO per calendar year after 12 months of continuous employment with Lia's Rainbow LLC. After 36 months of continuous employment, employees become eligible for 10 days (80 hours) of PTO per calendar year.

Employees must use all PTO in the calendar year in which it is granted. It should be scheduled and approved by Lia's Rainbow LLC at least two weeks in advance. Any unused PTO will be forfeited at the end of each calendar year.

Upon termination of employment for any reason, employees forfeit any accumulated but unused PTO.

Part-time employees are not eligible for PTO.

LEAVES OF ABSENCE

While on Bereavement Leave, an employee will be paid at straight time for the hours the employee was scheduled to work on the days missed.

JURY LEAVE

Employees who are called for jury duty will be granted time off with pay to perform this civic duty. Employees must notify their supervisors as soon as they learn they have been summoned as a juror so that work arrangements can be made. In order to be paid for Jury Leave, an employee must provide his or her supervisor with the jury summons and a note from the Clerk of the Court indicating the times the employee was in court for jury duty. Lia's Rainbow LLC will pay employees straight time for their regularly scheduled hours of work, minus the compensation they received from the court for their service as jurors, for up to five days of jury service. An employee who is excused from jury duty prior to the end of a regularly scheduled workday must report for work for the remainder of that day, or otherwise notify his or her supervisor of his or her availability to work.

MILITARY LEAVE

Lia's Rainbow LLC will grant employees called into military service an unpaid leave of absence and re-employment rights as provided by the laws of the United States. Employees may use accrued paid time off during a military leave of absence, but are not required to do so.

I acknowledge that I have received a copy of the Lia's Rainbow LLC Employee Handbook dated: (date). I understand that this handbook replaces any and all prior verbal and written communications regarding Lia's Rainbow LLC working conditions, policies, procedures, appeal processes, and benefits.

ACKNOWLEDGEMENT OF RECEIPT OF EMPLOYEE HANDBOOK

I _____ understand that the working conditions, policies, procedures, appeal processes, and benefits described in this handbook are confidential and may not be distributed in any way nor discussed with anyone who is not an employee of Lia's Rainbow LLC.

I have read and understand the contents of this handbook and will act in accordance with these policies and procedures as a condition of my employment with Lia's Rainbow LLC.

_____ Initial

I have read and understand the Standards of Conduct expected by Lia's Rainbow LLC and I agree to act in accord with the Standards of Conduct as a condition of my employment by Lia's Rainbow LLC.

_____ Initial

I understand that if I have questions or concerns at any time about the handbook or the Standards of Conduct, I will consult my immediate supervisor, my supervisor's manager, the Human Resources staff, or the President for clarification.

_____ Initial

I also acknowledge that the handbook contains an employment-at-will provision that states:

- Either Lia's Rainbow LLC or I can terminate my employment relationship at any time, with or without cause, and with or without notice. _____ Initial
- That this employment-at-will relationship is in effect regardless of any other written statements or policies contained in this handbook, in any other Lia's Rainbow LLC documents, or in any verbal statements to the contrary _____ Initial
- That no one except the President can enter into any differing employment relationship, contract, or agreement. To be enforceable, any such out-of-the-ordinary relationship. Contract or agreement must be in writing, signed by the President, notarized, and in the employee file. _____ Initial

Finally, I understand that the contents of this employee handbook are simply policies and guidelines, not a contract or implied contract with employees. The contents of the employee handbook may change at any time.

Please read this Handbook and these employee Standards of Conduct carefully to understand these conditions of employment before you sign this document.

Signature of Employee

Signature of Supervisor/President