

**Employee Handbook**

**Fraud Sniffr Inc.**

**A Guide for Our**

**Employees**

**FRAUDSNIFFR**



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# Welcome

It is our privilege to welcome you to Fraud Sniffr, Inc. We wish you every success in your new job, and we hope that you quickly feel at home. This Handbook was developed to describe some of the expectations we have for all of our employees and what you can expect from us. We hope that your experience here will be challenging, enjoyable, and rewarding.

Again, welcome!

Marci De Vries  
CEO

***Our Company values its employees as its most important asset. We make every reasonable attempt to accommodate family obligations, mental and physical health, and create a fun and engaging atmosphere for all.***

## Introduction

This Employee Handbook is a compilation of personnel policies, practices and procedures currently in effect at Fraud Sniffr Inc.

The Handbook is designed to introduce you to our Company, familiarize you with Company policies, provide general guidelines on work rules, benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

**This Employee Handbook is not a contract.** Like most American companies, Fraud Sniffr Inc. generally does not offer individual employees formal employment contracts with the Company. This Handbook does not create a contract, express or implied, guaranteeing you any specific term of employment, nor does it obligate you to continue your employment for a specific period of time. The purpose of the Handbook is simply to provide you with a convenient explanation of present policies and practices at the Company. This Handbook is an overview or a guideline. It cannot cover every matter that might arise in the workplace. For this reason, specific questions regarding the applicability of a particular policy or practice should be addressed to the Human Resources Department.

The Company reserves the right to modify any of our policies and procedures, including those covered in this Handbook, at any time. We will seek to notify you of such changes by email

and other appropriate means. However, such a notice is not required for changes to be effective.

*We operate in several states within the United States. State, local, and federal employment laws change with some frequency, either as a result of a judicial decision or new legislation or regulations. Although we seek to monitor the laws in all states where we have employees, our Handbook may not always reflect the very latest requirements. We are, of course, committed to complying with all applicable laws.*

## Employment Relationship

### Equal Employment Opportunity

The Company is an equal opportunity employer. We will extend equal opportunity to all individuals without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices. Details of our equal employment opportunity policies are further explained below.

## Privacy—Social Security Numbers

### Policy and Procedure Regarding Use and Disclosure of Social Security Numbers

**Purpose.** This policy and procedure explains **Fraud Sniff**'s general standards and practices for how Social Security numbers are gathered, stored, disclosed, and ultimately disposed of.

**Policy.** It is **Fraud Sniff**'s policy that Social Security numbers obtained from employees, vendors, contractors, customers, or others are confidential information.

Social Security numbers will be obtained, retained, used, and disposed of only for legitimate business reasons and in accordance with the law and this policy. All social security numbers are handled using best security practices and may not be used for any purpose other than lawfully conducting business as defined by all applicable laws.

**Procedure.** Documents or other records containing employee Social Security numbers generally will be requested, obtained, or created only for legitimate business reasons consistent with this

policy. For example, Social Security numbers may be requested from employees for tax reporting purposes (i.e., Internal Revenue Service (IRS) Form W-4), for new hire reporting, or for purposes of enrollment in the Company's employee benefit plans.

**Retention and access to Social Security numbers.** All records containing Social Security numbers (whether partial or complete) will be maintained in secure, confidential files with limited access.

**Unauthorized use/disclosure of Social Security numbers.** Any employee who obtains, uses, or discloses Social Security numbers for unauthorized purposes or contrary to the requirements of this policy and procedure may be disciplined, up to and including discharge and prosecution (if warranted). The Company will cooperate with government investigations of any person alleged to have obtained, used, or disclosed Social Security numbers for unlawful purposes.



# Employment Classifications

The following terms will be used to describe employment classifications and status. Fraud Sniff may review or change employee classifications at any time.

## **Regular, full-Time Employee**

Full-time employees are those who are regularly scheduled to work at least 40 hours per week that are not hired on a temporary basis.

## **Regular, part-Time Employee**

Part-time employees are those who are regularly scheduled to work fewer than 40 hours per week that are not hired on a temporary or “per report” basis. Part-time employees are not eligible for Company paid benefits, with the exception of the 401(k) plan, except as required by law. Any employee who works 1,000 hours per year or more may participate in the 401(k) plan.

## **Overtime Exempt Employees**

Exempt employees are not subject to the overtime pay provisions of the federal Fair Labor Standards Act (FLSA). An exempt employee is one whose specific job duties and salary meet all of the requirements of the U.S. Department of Labor’s regulations. In general, an exempt employee is one who is paid on a salary basis at not less than \$455 per week who holds an administrative, professional, or management position.

## **Overtime For Full-Time Employees**

Salaried employees who are not administrative, professional, or managerial employees (as defined by the U.S. Department of Labor) and many hourly employees are generally not exempt from the FLSA’s overtime provisions.

## **Temporary Employee**

Employees hired for an interim period of time, usually to fill in for vacations, leaves of absence, or projects of a limited duration. Temporary employees are not eligible for Company paid benefits, except as required by law. Employment beyond any initially stated period does not in any way imply a change in employment status.

## **Orientation and Training**

To help you become familiar with the Company and our way of doing things, the Company will provide orientation and training within the first few days after you begin work. Some of the content of the session will depend in large part on the nature of your responsibilities, while other parts will be applicable to all employees. In addition, the Company may periodically offer additional training or educational programs. Some programs may be voluntary, while others will be required.

## **Immigration Law Applicable to All Employees**

The Company complies with the Immigration Reform and Control Act of 1986 by employing only U.S. citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of work to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (Form I-9). If you cannot verify your right to work in the United States within three (3) days of hire, the Company is required by law to terminate your employment.

# Hours of Work

The workweek is from Monday thru Friday, eight hours per day with a required half-hour for lunch that does not count toward the 8 hours. This means a full day should be scheduled into your day as 8.5 hours. The workday will occur during normal business hours for the Company - between 7am to 5:30 pm.

***We realize that family obligations and child care may interfere with this work schedule. Employees are encouraged to put their families first – the work can be completed outside of normal business hours in order to fulfill the work obligation. Having a healthy, happy family is a top priority.***

***Note: A child is defined as a minor or a dependent adult with documented perpetual developmental issues.***

## Time Records

All hourly employees are required to complete accurate weekly time reports showing all time actually worked. These records are required by governmental regulations and are used to calculate regular and overtime pay. At the end of each week, employees and their supervisors must sign the timesheet attesting to its correctness before forwarding it to the HR department.

## Overtime

Because of the nature of our business, your job may periodically require overtime work. If the Company requires that you work overtime, we will give you as much advance notice as possible. You should not work overtime hours without prior approval by your immediate supervisor or the designated manager.

We do not consider reading emails after hours as overtime work. Official overtime is created by an influx of unexpected work, requiring report generation work at a sustained, higher level than a normal 40-hour week will accommodate.

Nonexempt employees will be paid overtime compensation as communicated by their managers - different kinds of overtime work will be compensated or not compensated at the employer's discretion.

Paid leave, such as holiday, paid time off (PTO), bereavement time, and jury duty, does

not apply toward work time. All overtime work must be approved in advance by a supervisor or manager.

## **Deductions from Pay/Safe Harbor Exempt Employees**

**Fraud Sniff** does not make improper deductions from the salaries of exempt employees and complies with the salary basis requirements of the Fair Labor Standards Act (FLSA). Employees classified as exempt from the overtime pay requirements of the FLSA will be notified of this classification at the time of hire or change in position.

**Permitted deductions.** The FLSA limits the types of deductions that may be made from the pay of an exempt employee. Deductions that are permitted include:

- Deductions that are required by law, e.g., income taxes;
- Deductions for employee benefits when authorized by the employee;
- Absence from work for one or more full days for personal reasons other than sickness or disability;
- Absence from work for one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy, or practice of providing compensation for salary lost due to illness;
- Offset for amounts received as witness or jury fees or for military pay;
- Unpaid disciplinary suspensions of 1 or more full days imposed in good faith for workplace conduct rule infractions; and
- Any full workweek in which the employee does not perform any work.

During the week an exempt employee begins work for the Company or during the last week of employment, the employee will only be paid for actual hours worked. In addition, an employee may be paid only for hours worked during a period when the employee is using unpaid leave under the Family and Medical Leave Act.

**Improper deductions.** If an employee classified as exempt believes that an improper deduction has been taken from the employee's pay, the employee should immediately report the deduction to the HR department. The report will be promptly investigated, and if it is found that an improper deduction has been made, the Company will reimburse the employee for the improper deduction.

# Compensation

## Payroll Practices

Employees are paid twice a month: on the 1st of the month, and on the 15th of the month. If the regularly scheduled payroll date falls on a Saturday, the Company will attempt to deliver paychecks on Friday. If the regular payday falls on a Sunday, employees will be paid on Monday. When a payroll date falls on a holiday, employees will, when possible, be paid on the last business day before the holiday. Otherwise, employees will be paid on the first business day following the scheduled payroll date.

## Salary Deductions and Withholding

The Company will withhold the following from your paycheck:

### Taxes

Federal, state and local taxes, as required by law, as well as the required FICA (Social Security and Medicare) payments.

### Insurance

Your contribution to health insurance or other insurance premiums for yourself and any eligible family members or to other contributory benefit programs.

### Other Deductions

Other deductions which you authorize, including 401(k) contributions.

### Direct Deposit

Your paycheck will be deposited directly into your bank account. You will be given the authorization form for deposit by your immediate supervisor, designated manager, or Human Resources. The Company does not provide paper paychecks at this time.

# Attendance and Punctuality

It is important for you to report to work on time and to avoid unnecessary absences.

The Company recognizes that illness or other circumstances beyond your control may cause

you to be absent from work from time to time. However, frequent absenteeism or tardiness may result in disciplinary action up to and including discharge. Excessive absenteeism or frequent tardiness puts an unnecessary strain on your co-workers and can have a negative impact on the success of the Company.

You are expected to report to work when scheduled. Whenever you know in advance that you are going to be absent, you should notify your immediate manager or the designated manager via a telephone call. If your absence is unexpected, you should attempt to reach your immediate supervisor as soon as possible, but in no event later than one hour before you are due at work. In the event your manager is unavailable, you must speak with another manager. If you must leave a voicemail, you must provide a number where your manager may reach you if need be.

Doctor and specialist appointments for yourself and your dependants should be scheduled as close to the end or beginning of the day as possible in order to minimize the disruption to your teams.

Some, but not all, absences are compensated under the Company's leave (PTO) and benefits policies described below.

You are expected to be at your workstation at the beginning of your schedule workday. If you are delayed, you must call your immediate supervisor on the phone to state the reason for the delay. As with all absences, you must make every effort to speak directly with a manager. Regular delays in reporting to work will result in disciplinary action up to and including discharge.

## **Personnel Records**

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your manager or the Human Resources Department of any change in name, home address, telephone number, marital status, number of dependents, immigration status, or any other pertinent information. By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of tax forms, or similar inconvenience.

## **Performance Reviews**

Formal Performance Reviews are at the discretion of Management, with a practical schedule of twice annually. Salary review is contingent on performance.

Employees should initiate conversations with their manager if they feel additional ongoing

feedback is needed.

## **Dress Code and Public Image**

The current Company dress code is casual. As always, please use common sense in your choice of business attire and behavior when interacting with peers in person or on a video call.

Employees appearing in public at trade shows or other public events are expected to wear professional business attire.

## **Office Equipment and Data/Records**

Certain equipment and access to data is assigned to staff depending on the needs of the job, personal computer, and (manager or higher), access to our central computers and servers. This equipment and data/record system is the property of the Company and cannot be removed or destroyed without prior approval from your manager.

It is expected that you will treat this equipment and content with care and report any malfunctions immediately to staff members equipped to diagnose the problem and take corrective action.

Employees are expected to make use of Company equipment (Computers, email, software, database subscriptions and other data resources of the Company) only for the business purposes of the Company.

Accordingly, materials that appear on Company hardware or networks are presumed to be for business purposes, and all such materials are subject to review by the Company at any time without notice to the employees and all content is considered the property of the Company. Employees do not have any expectation of privacy with respect to any material on Company property. **Fraud Sniffer** regularly monitors its communications systems and networks as allowed by law. Monitored activity may include email, and Chat communications, as well as Internet search and browsing history. Employees who make excessive use of the communications system for personal matters are subject to discipline up to and including discharge. Employees are expected to keep personal communication to a minimum and to emergency situations.

All machines must be destroyed in a chipper at the end of their reasonable usefulness, due to the sensitive nature of the material stored in it.

## **Right to Log Activity**

The Company email, applications and database system are at all times the property of the

Company. By accessing the electronic mail services provided by the Company, you acknowledge that the Company (by itself or through its Internet Service Provider) may from time to time monitor, log and gather statistics on employee Internet activity and may examine all individual connections and communications. Please note that the Company uses email filters to block spam and computer viruses. These filters may from time to time block legitimate email messages.

## **Responsibilities and Obligations**

Employees may not access, download or distribute material **for personal use** that is illegal, or which others may find offensive or objectionable, such as material that is pornographic, discriminatory, harassing, or an incitement to violence.

You must respect and comply with copyright laws and intellectual property rights of both the Company and other parties at all times. When using web-based sources, you must provide appropriate attribution and citation of information to the websites. Software must not be downloaded from the Internet without the prior approval of qualified persons within the Company.

Content generated in the course and nature of employment **MAY NOT** be used in any other context for personal gain or for entertainment outside the Company. Additionally content **MAY NOT** be distributed in any way outside the Company.

## **Violation of this Policy**

In all circumstances, use of Internet access and email systems must be consistent with the law and Company policies. Violation of this policy is a serious offense and, subject to the requirements of the law, may result in a range of sanctions, from restriction of access to electronic communication facilities to disciplinary action, up to and including termination.

## **Social Media**

Any conduct that adversely affects an employee's job performance or the performance of fellow employees, or otherwise adversely affects the Company's legitimate business interests, may result in disciplinary action, up to and including termination. Similarly, inappropriate postings, including but not limited to discriminatory remarks, disclosure of proprietary Company information, harassment and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may result in disciplinary action, up to and including termination.

## **Drug-Free Workplace**

The Company considers drug and alcohol abuse a serious problem, and is committed to



providing a substance abuse-free workplace for its employees. Substance abuse of any kind is inconsistent with the behavior expected of our employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines our ability to operate effectively and efficiently.

## **Substance Abuse**

The Company recognizes alcohol and drug abuse as potential health, safety and security problems. The Company expects all employees to assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances, including narcotics prescribed for pain. Compliance with this substance abuse policy is made a condition of employment, and violations of the policy may lead to discipline and/or discharge.

All employees are prohibited from engaging in the unlawful manufacture, possession, use, distribution or purchase of illicit drugs, alcohol or other intoxicants, as well as the misuse of prescription drugs on Company time. All employees are required to report to their jobs in appropriate mental and physical condition, ready to work.

Substance abuse is an illness that can be treated. Employees who have an alcohol or drug abuse problem are encouraged to seek appropriate professional assistance. You may inform your immediate supervisor, designated manager, or Human Resources for assistance in seeking help to address substance abuse, who can also help you determine coverage available under the Company's medical insurance plan.

When work performance is impaired, admission to or use of a treatment or other program does not preclude appropriate action by the Company.

Any violator of this substance abuse policy will be subject to disciplinary action up to and including termination of employment.

## **Safety and Accident Rules**

Safety is a joint venture at the Company. We allow you to work from home, and we make every effort to comply with all relevant federal, state and local occupational health and safety laws, including the federal Occupational Safety and Health Act. As an employee, you have a duty to comply with the safety rules of the Company, and you are expected to take an active part in maintaining a hazard-free environment.

If ergonomic suggestions for your work station are made, they must be followed.

## **Cell Phone Safety and Driving**

Safe driving is the first priority when operating a vehicle while driving on **Fraud Sniff** business. Employees' first responsibility is to pay attention to your driving. They should never allow a cell phone or other mobile device to distract them from concentrating on driving.

Under no circumstances should employees feel that they need to place themselves or others at risk while driving to fulfill business needs. Employees should follow these procedures to avoid distracted driving:

Employees who fail to follow safety guidelines are subject to discipline.

## **Promotions and Transfers**

In an effort to match you with the job for which you are most suited and to meet the business and operational needs of the Company, you may be transferred from your current job. This may be either at your request or as a result of a decision by the Company.

Reasons for transfer may include, but are not necessarily limited to, fluctuations in department workloads or production flow; a desire for more efficient utilization of personnel; increased career opportunities; personality conflicts; health; other personal situations; or other business reasons.

Most job openings that are intended to be filled from within the Company will be posted on the Google chat that the full time employees share. The management of the Company does reserve the right, however, to transfer or promote an employee without posting the availability of that position. Temporary transfers may be made at the discretion of the Company management.

You are eligible to request a transfer and to be considered for promotions upon completion of twelve months of satisfactory performance in your current job. Your eligibility is also dependent, of course, on the employee's skills, education, experience and other qualifications that are required for the job. However, a transfer may take place within the first six months of employment if the management of the Company believes that it is in the best interest of the Company to make an exception to this guideline.

## **Recruitment and Hiring**

The Company's primary goal when recruiting new employees is to fill vacancies with persons who have the best available skills, abilities or experience needed to perform the work. Decisions regarding the recruitment, selection and placement of employees are made on the basis of job related criteria.

When positions become available, qualified current employees are encouraged and are welcome to apply for the position. As openings occur, notices relating general information about the position are posted. The manager of the department with the opening will arrange interviews with employees who apply.

We encourage current employees to recruit new talent for our Company.

<sup>1</sup>The officer may be the CEO or their designee.

## **Anti-Discrimination & Harassment**

### **Discrimination Is Prohibited**

The Company is an equal opportunity employer and makes all employment decisions without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, benefits, compensation and training. We seek to comply with all applicable federal, state and local laws related to discrimination and will not tolerate the interference with the ability of any of the Company's employees to perform their job duties.

The Company makes decisions concerning employment based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of other applicants or employees, and the individual's past performance within the organization.

If you believe that an employment decision has been made that does not conform with management's commitment to equal opportunity, you should promptly bring the matter to the attention of your immediate supervisor, designated manager, or Human Resources. Your complaint will be promptly, thoroughly and impartially investigated. There will be no retaliation against any employee who files a complaint in good faith, even if the result of the investigation produces insufficient evidence to support the complaint.

### **Americans with Disabilities Act**

The federal Americans with Disabilities Act (ADA) prohibits discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, fringe benefits, job training and other terms, conditions and privileges of employment. The ADA does not alter the Company's right to hire the best-qualified applicant, but it does prohibit discrimination against a qualified applicant or employee because of his or

her disability, or because of a perceived disability. As a matter of Company policy, the Company prohibits discrimination of any kind against people with disabilities.

## **Disabled Defined**

An applicant or employee is considered disabled if he or she (1) has a physical or mental impairment that substantially limits one or more major life activities; (2) has a record or past history of such an impairment; or (3) is regarded or perceived (correctly or incorrectly) as having such impairment.

A qualified employee or applicant with a disability is an individual who satisfies the requisite skill, experience, education and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position.

## **Reasonable Accommodation**

A reasonable accommodation is any change in the work environment (or in the way things are usually done) to help a person with a disability apply for a job, perform the duties of a job, or enjoy the benefits and privileges of employment.

Qualified applicants or employees who are disabled should request reasonable accommodation from the Company in order to allow them to perform a particular job. If you are disabled and you desire such reasonable accommodation, contact your manager or Human Resources. On receipt of your request we will meet with you to discuss your disability. We may ask for information from your health care provider(s) regarding the nature of your disability and the nature of your limitations or take other steps necessary to help us determine viable options for reasonable accommodation. We will then work with you to determine whether your disability can be reasonably accommodated, and if it can be accommodated, we will explore alternatives with you and endeavor to implement a mutually agreeable accommodation.

Reasonable accommodation may take many forms and it will vary from one employee to another. Please note that according to the ADA, the Company does not have to provide the exact accommodation you want, and if more than one accommodation works, we may choose which one to provide. Furthermore, the Company does not have to provide an accommodation if doing so would cause undue hardship to the Company.

## **Workplace Harassment**

The Company is committed to providing a work environment that provides employees

equality, respect and dignity. In keeping with this commitment, the Company has adopted a policy of “zero tolerance” with regard to employee harassment. Harassment is defined under federal law as unwelcome conduct that is based on race, color, religion, sex (including pregnancy, sexual orientation and gender identity), national origin, age (40 or older), disability or genetic information. Harassment becomes unlawful where: (1) enduring the offensive conduct becomes a condition of continued employment; or (2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive.

This policy applies to all terms and conditions of employment. Harassment of any other person, including, without limitation, fellow employees, contractors, visitors, clients or customers, whether at work or outside of work, is grounds for immediate termination. The Company will make every reasonable effort to ensure that its entire community is familiar with this policy and that all employees are aware that every complaint received will be promptly, thoroughly and impartially investigated and resolved appropriately. The Company will not tolerate retaliation against anyone who complains of harassment or who participates in an investigation.

## **Sexual Harassment**

Sexual harassment is prohibited by federal, state and local laws, and applies equally to men and women. Federal law defines sexual harassment as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when the conduct: (1) explicitly or implicitly affects a term or condition of an employee’s employment; (2) is used as the basis for employment decisions affecting the employee; or (3) unreasonably interferes with an employee’s work performance or creates an intimidating, hostile or offensive working environment.

Such conduct may include, but is not limited to: subtle or overt pressure for sexual favors; inappropriate touching; lewd, sexually oriented comments or jokes; foul or obscene language; posting of suggestive or sexually explicit posters, calendars, photographs, graffiti, or cartoons; and repeated requests for dates. Company policy further prohibits harassment and discrimination based on sex stereotyping. (Sex stereotyping occurs when one person perceives a man to be unduly effeminate or a woman to be unduly masculine and harasses or discriminates against that person because he or she does not fit the stereotype of being male or female.) The Company encourages reporting of all perceived incidents of sexual harassment, regardless of who the offender may be. Every employee is encouraged to raise any questions or concerns with his or her immediate supervisor, designated manager, or Human Resources.

## **Supervisors’ Responsibilities RE: Sexual Harassment Complaints**

All managers are expected to ensure a work environment free from sexual and other

harassment. They are responsible for the application and communication of this policy within their work area. Managers should:

- Encourage employees to report any violations of this policy *before* the harassment becomes severe or pervasive.
- Make sure the Human Resources Department is made aware of any inappropriate behavior in the workplace.
- Create a work environment where sexual and other harassment is not permitted.

## **Procedures for Reporting and Investigating Harassment**

Employees should report incidents of inappropriate behavior or sexual harassment as soon as possible after the occurrence. Employees who believe they have been harassed, regardless of whether the offensive act was committed by a manager, co-worker, vendor, visitor, or client, should promptly notify their immediate supervisor, designated manager, or Human Resources. If the employee's immediate supervisor is involved in the incident, the employee should report the incident to Senior Management (President/CEO) or the Human Resources Department. Every claim of harassment will be treated seriously, no matter how trivial it may appear. All complaints of harassment, sexual harassment, or other inappropriate sexual conduct will be promptly, thoroughly and impartially investigated by the Company.

There will be no retaliation for filing or pursuing a harassment claim. To the extent possible, all complaints and related information will remain confidential except to those individuals who need the information to investigate, educate, or take action in response to the complaint.

All employees are expected to cooperate fully with any ongoing investigation regarding a harassment incident. Employees who believe they have been unjustly charged with harassment can defend themselves verbally or in writing at any stage of the investigation. To protect the privacy of persons involved, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances. The persons involved in the incident may not discuss the incident with uninvolved employees or external parties. Investigations may include interviews with the parties involved, and where necessary, individuals who may have observed the alleged conduct or who may have relevant knowledge.

At the conclusion of a harassment investigation, the complainant and the "alleged harasser" shall be informed of the determination. Where appropriate, the "harasser" and the "victim" may be offered mediation or counseling.

## **Penalties for Violation of Anti-Harassment Policy**

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances.

# Benefits

## General

This section describes the fringe benefits provided by the Company and information on your eligibility for benefits. Details regarding each benefit plan are contained in the Company's Benefit Booklet. Benefit plans governed by the federal Employee Retirement Income Security Act (ERISA) may be further described in formal summary plan descriptions or other legal documents available for your review in the Human Resources Department.

Full-time employees are eligible to participate in the various insurance programs after they have been employed for 30 days by the Company for health insurance (12 months for 401K benefits). Periodically there will be an Open Enrollment period (described below). If you decline to participate in these programs on your initial eligibility date, you may request entry into the plan during Open Enrollment or Special Enrollment (described below).

## Medical Insurance

After 30 days of employment Fraud Sniffrr offers medical insurance to all full-time employees. Details of the plans may be found in the benefit booklet. This Handbook does not represent the health care plan.

An employee contribution for coverage will be deducted from your salary based on your benefit selections. Your Summary Plan Description (SPD) contains more details about these plans. For more details, please refer to the specific SPD that governs each of the plans. In the event of any conflict between the information contained in this Handbook and in the Company's SPDs, the SPDs shall govern. These plans are subject to change at the Company's discretion. Additionally, the amount that you may be required to contribute towards the premiums for any of these plans may be changed at the Company's discretion.

## 401K Plan

Employees are eligible to participate in the plan after 12 months of consecutive employment or as otherwise agreed to by management, under special circumstances. Fraud Sniffrr's 401K is a Safe Harbor plan. Safe Harbor contributions equals 100% of the first 4% of the participant's compensation.

That means the company matches dollar for dollar up to 4% of employee contributions of compensation.

## **Open Enrollment**

The annual Open Enrollment period allows employees to add or change their benefits coverage. Changes, additions and other elections made during Open Enrollment will take effect on the effective date following the Open Enrollment period. Once you have made a change, you generally cannot change that selection until the next Open Enrollment period (except in the case of certain life events; see Special Enrollment).

## **Employee Contributions**

The Company's benefit package is contributory; that is, you are responsible for a portion of the premium for your benefits. A portion of the premium, up to a maximum per month, is contributed by the Company. Your contributory cost is deducted from your paycheck. Currently, the Company covers half of the monthly premium of Medical insurance, for the employee. Any dependents added to the insurance plan will be covered by the employee. These amounts can change at the Company's discretion.

## **Special Enrollment**

Special enrollment allows individuals who previously declined coverage to enroll in the plan upon loss of eligibility for other coverage and upon certain life events, such as marriage and the birth, adoption, or placement for adoption of a child. Employees must generally request enrollment within 30 days of the loss of coverage or life event triggering the special enrollment. For specific details regarding special enrollment, please refer to your Summary Plan Description.

## **Continuation of Health Coverage**

Federal law generally requires employers with 20 or more employees to give employees, spouses (including same-sex spouses) and dependent children the right to continue group health benefits for limited periods of time under certain circumstances, such as voluntary or some types of involuntary job loss, reduction in hours worked, death, divorce and other life events. Employees ordinarily may continue their health coverage for up to 18 months when their employment is terminated.

## **Workers' Compensation Insurance**

To provide for payment of your medical expenses and for partial salary continuation in the event of a work-related accident or illness, you are covered by workers' compensation insurance, provided by the Company and based on state regulations. The amount of benefits payable, as well as the duration of payments, depends upon the nature of your injury or illness. However, all medical expenses incurred in connection with an on-the-job injury or illness and partial salary payments are paid in accordance with applicable state law. If you are injured on the job, you must immediately report the injury to your manager and the



Human Resources Department. This ensures that the Company can help you obtain appropriate medical treatment. Your failure to follow this procedure may delay your benefits or may even jeopardize your receipt of benefits. Questions regarding workers' compensation insurance should be directed to the Human Resources Department.

## **Vacation and Other Leave**

### **Vacation**

The Company recognizes the importance of vacation time in providing rest, recreation and personal enrichment. Vacations are established on a calendar-year basis. The amount of vacation allowed is included in the job description for your position.

Full-time employees receive one week of vacation when they are hired – this time is pro-rated for the employee's first year of employment. In year 1 the employee will have one week (5 work days / 40 hours) of vacation time available.

After three years of continuous employment, the employee will have seven and a half days (7.5 work days / 60 hours) of vacation.

After five years of continuous employment, the employee will have two weeks of vacation time (10 work days / 80 hours). After five years of continuous employment, additional vacation hours are added at the discretion of the Company.

### **Accrual and Carryover**

Employees begin accruing vacation when they first begin work for the Company. Employees may use their vacation at any time after the first 60 days of employment unless prior arrangements have been made. Employees may not carry over vacation from one year to the next.

### **Procedure**

Requests for vacation time should be submitted via the vacation request form located on the Fraud Sniff website at least two weeks prior to the time requested. Vacation requests are approved by human resources in writing. A confirmation email from management and/or human resources will be sent in response to a request.

Vacation time is coordinated so that sufficient staff is available to provide adequate coverage at all times, and there may be Company-wide or department-specific "blackout dates," as necessary. Vacation approvals are granted by human resources on a first-come, first-served basis. In the event of a conflict in vacation requests, management will consider the

Company's staffing needs during the relevant period, as well as the length of service with the Company of the employees involved.

## **Holiday Pay**

Employees are entitled to the following paid holidays:

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

## **PTO (Personal Time Off)**

Personal time off is not intended to be used as extra vacation days. These days are reserved for unexpected events that cause you to miss work, and may ONLY be used for the following:

- Medical and dental appointments for yourself or family members;
- Your personal illness or that of a member of your family; or
- Personal business that cannot be tended to outside of work hours, e.g., a house closing.

You are not required to give any specific reason for using your PTO. However, when you do take personal/sick time you must call your manager on the phone to report your need to take the time off.

You will accrue a total of five days of PTO per 12-month period. Your personal time will be prorated for the first year of employment.

## **PTO Accrual**

PTO accrues by quarter on an annual basis. Each quarter, 1 eight hour day plus two hours for doctor appointments or misc personal issues is accrued. This means each year an employee will have five total days for PTO available.

If an employee is exceptionally healthy and has extra PTO hours available at year end, they will be compensated for these unused hours. PTO hours may not be substituted with vacation days.

## **Notification Procedures**

When you are absent from work and your absence has not been previously scheduled, you must personally notify your manager by telephone as soon as you are aware that you will be late or unable to report to work. Leaving a voicemail or message with another staff member does not qualify as notifying your supervisor.

When absence is due to illness, the Company reserves the right to require appropriate medical documentation. Such documentation need only include the employee's name, the date and time the employee was seen, and if applicable, a specific instruction regarding the employee's incapacity to perform his or her job. Excessive absenteeism or tardiness can result in discipline, up to and including discharge. (Also see the section on Family & Medical Leave for extended leave situations.)

## **Bereavement Leave**

Employees will receive up to three days of paid time off in the event of the death of a member of their immediate family. Immediate family includes spouses, domestic partners, children, parents, parents-in-law, brothers or sisters, and brothers-in-law or sisters-in-law.

You are allowed one day of paid leave in the event of the death of an extended family member. Extended family includes grandparents, aunts and uncles, and other more distant relatives.

## **Military Service Leave**

Employees serving in the uniformed services, including the Army, Navy, Marine Corps, Air Force, Coast Guard and Public Health Service commissioned corps, as well as the reserve components of each of these services, may take unpaid military leave, as needed, to enable them to fulfill their obligations as servicemembers. Servicemembers must provide advance written or verbal notice to the Company for all military duty, unless giving notice is impossible, unreasonable, or precluded by military necessity. Employees should provide notice as far in advance as is reasonable under the circumstances. In addition, employees may, but are not required to, use accrued vacation or personal leave while performing military duty.

## **Maternity Leave**

The Company offers eight weeks of paid maternity leave, Additional weeks of unpaid leave may be added to the maternity leave as unpaid at the employee's discretion. The maternity payment is contingent upon the employee's return to work.

## **Family and Medical Leave**

The federal Family and Medical Leave Act (FMLA) allows certain employees to take up to 12 weeks of unpaid leave per year for the serious health condition of the employee or an immediate family member, or for childbirth or adoption. An employee who assumes the role of caring for a child is also entitled to receive parental rights to family leave, regardless of the legal or biological relationship. Either day-to-day care or financial support may establish a parental relationship when the employee intends to assume the responsibilities of a parent with regard to a child. The Human Resources Department will guide you in completing appropriate forms for the leave. Any paid leave that you have accrued may be counted as part of your FMLA leave.

To take FMLA leave, you must provide the Company with appropriate notice. If you know in advance that you will need FMLA leave, you must notify your supervisor or the HR Department at least 30 days in advance. If you learn of your need for leave less than 30 days in advance, you must give notice as soon as you can (generally either the day you learn of the need or the next work day). When you need FMLA leave unexpectedly (for example, if a family member is injured in an accident), you must inform your supervisor or the HR Department as soon as you can.

## **Military Caregiver Leave**

The FMLA also allows an eligible employee who is the spouse, son, daughter, parent or next of kin of a member of the Armed Forces, National Guard or Reserves or of certain recent veterans with a serious illness or injury, up to 26 weeks of unpaid leave within a 12-month period to care for the injured or ill servicemember or veteran. A “serious illness or injury” is generally an injury or illness incurred by the covered servicemember in the line of duty on active duty (or that existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty) that may render the servicemember medically unfit to perform the duties of the member’s office, grade, rank, or rating.

An eligible employee is entitled to a combined total of 26 workweeks of military caregiver leave and leave for any other FMLA-qualifying reason in a single 12-month period, provided that the employee may not take more than 12 weeks of leave for any other FMLA-qualifying reason during this period. (For example, in the single 12-month period an employee could take 12 weeks of FMLA leave to care for a newborn child and 14 weeks of military caregiver leave, but could not take 16 weeks of leave to care for a newborn child and 10 weeks of military caregiver leave.) Generally, you must give the Company at least 30 days’ notice before the commencement of any military caregiver leave.

## **Qualifying (Military) Exigency Leave**

The FMLA also provides for up to 12 weeks of unpaid leave within a 12-month period when an eligible employee's spouse, son, daughter, or parent is on (or has been notified of an impending call to) "covered active duty" in the Armed Forces. ("Covered active duty" for members of a regular component of the Armed Forces means duty during deployment of the member with the Armed Forces to a foreign country. "Covered active duty" for members of the U.S. National Guard and Reserves means duty during deployment of the member with the Armed Forces to a foreign country under a call or order to active duty in a contingency operation.) The leave may also be extended to the family members of certain retired military. This leave may be used to take care of such things as child care or financial and legal arrangements necessitated by the deployment of the family member.

## **Break Time for Nursing Mothers**

The federal Fair Labor Standards Act (FLSA) allows employees to take reasonable, unpaid break time to express breast milk as needed for up to one (1) year after the birth of a child. Employees will not be discharged or in any other manner discriminated against in exercising their rights under this policy.

## **Civic Duty Leave**

### **Jury Duty**

The Company encourages employees to fulfill their civic duties. To that end, employees will be allowed leave to serve on a jury, if summoned. We request that you show a copy of your summons notice as soon as you receive it, so that we may keep it on file. If you are called during a particularly busy period, we may ask you to request a postponement. The Company will provide additional documentation in this regard, if necessary, to obtain such postponement.

Jury duty can last from a portion of a single day to several months or more. During this time you will be considered on a leave of absence and will be entitled to continue to participate in insurance and other benefits as if you were working. While serving on jury duty, you are expected to call in to your supervisor periodically to keep him or her apprised of your status.

The Company will compensate full-time employees for the difference between jury duty compensation and your current daily pay for the first five days of jury service (or in accordance with applicable law, if different). If additional time is required, it will be granted, but without pay.

### **Appearance as a Witness (Not work-related)**

An employee called to appear as a witness will be permitted time off to appear, but without pay. Employees will be permitted to use accrued vacation time when appearing as

witnesses.

## **Voting**

The Company encourages all employees to vote. Most polling facilities for elections for public office are scheduled to accommodate working voters. The Company, therefore, requests that employees schedule their voting for before or after their work shift. An employee who expects a conflict, however, should notify his or her supervisor, in advance, so that schedules can be adjusted if necessary.

# **Miscellaneous**

## **Leaving the Company**

If you wish to resign your employment with the Company, you are requested to notify your manager of your anticipated departure date at least two (2) weeks in advance. This notice should be in the form of a written email or letter. Your manager will reply by email to confirm.

If you leave the Company in good standing, you may be considered for reemployment at a later date. However, in the case of rehiring, you may be considered a new employee with respect to vacation time, benefits and seniority.

## **Dispute Resolution**

In a perfect world, every employment relationship would be smooth and harmonious. However, there are, unfortunately, times when employees and employers disagree. These disagreements often arise in the context of involuntary employment termination, but there may be disagreements regarding the right to a promotion, expense reimbursement, etc.

All employees of the Company agree to first seek to mediate any dispute with the Company with a mediator. If mediation is not successful, both the Company and the employee agree to submit their dispute to arbitration. The decision of the arbitrator is final and binding.

## **Summary**

This handbook is designed to provide a framework for how Fraud Sniffr intends to conduct business. This handbook is not considered a legal offer of employment or contract.