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EMPLOYMENT MANUAL



UPDATED October 28th, 2022
Aquabella[®], LLC – Employment Manual

Effective October 4th, 2022

Welcome to Aquabella[®]

Thank you for joining Aquabella! We hope you agree that you have a great contribution to make to the Art and Tile industries by way of Aquabella, and that you will find your employment at Aquabella a rewarding experience. We look forward to the opportunity of working together to create a more successful company. We also want you to feel that your employment with Aquabella will be a mutually beneficial and gratifying one.

You have joined an organization that has established an outstanding reputation for quality and customer service. Credit for this goes to everyone in the organization. We hope you will find satisfaction and take pride in your work here. As a member of Aquabella's team, you will be expected to contribute your talents and energies to further improve the environment and quality of the company.

This Employee Manual may provide answers to most of the questions you may have about Aquabella's benefit programs, as well as company policies and procedures. You are responsible for reading and understanding this Employee Manual. If anything is unclear, please discuss the matter with your manager.

I extend to you my personal best wishes for your success and happiness at Aquabella.

Sincerely,

Brian L. Streadbeck
Chief Executive Officer
Aquabella, Inc.

Notice

This Employee Manual has been prepared to inform you of Aquabella's history, philosophy, employment practices, and policies, as well as the benefits provided to you as a valued employee.

Some Things You Must Understand

The policies in this Employee Manual are to be considered as guidelines.

- Aquabella, at its option, may change, delete, suspend or discontinue any part or parts of the policies in this Employee Manual at any time without prior notice as business, employment legislation, and economic conditions dictate.
- Any such action shall apply to existing as well as to future employees.
- Employees may not accrue eligibility for monetary benefits that they have not become eligible for through actual time spent at work.
- Employees shall not accrue eligibility for any benefits, rights, or privileges beyond the last day worked.
- No one other than the President, the Chief Executive Officer, or the Chief Operating Officer of Aquabella may alter or modify any of the policies in this Employee Manual. Any alteration or modification of the policies in this Employee Manual must be in writing.
- No statement or promise by a supervisor, manager, or department head, past or present, may be interpreted as a change in policy nor will it constitute an agreement with an employee.

Should any provision in this Employee Manual be found to be unenforceable and invalid, such finding does not invalidate the entire Employee Manual, but only that particular provision.

This Employee Manual replaces (supersedes) any and all other or previous Aquabella Employee Manuals, or other Aquabella policies whether written or oral.

Receipt and Acknowledgment of Aquabella's Employee Manual

Please read the following statements, sign below and return to your manager.

Understanding and Acknowledging Receipt of Aquabella's Employee Manual

I have received and read a copy of the Aquabella's Employee Manual. I understand that the policies and benefits described in it are subject to change at the sole discretion of Aquabella at any time.

At-Will Employment

I further understand that my employment is at will, and neither myself nor Aquabella has entered into a contract regarding the duration of my employment. I am free to terminate my employment with Aquabella at any time, with or without reason. Likewise, Aquabella has the right to terminate my employment, or otherwise discipline, transfer, or demote me at any time, with or without reason, at the discretion of Aquabella. No employee of Aquabella can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without the written approval from the President, the Chief Executive Officer, or the Chief Operating Officer.

Confidential Information

I am aware that during the course of my employment confidential information will be made available to me, for instance, product designs, marketing strategies, customer lists, pricing policies and other related information. I understand that this information is proprietary and critical to the success of Aquabella and must not be given out or used outside of Aquabella 's premises or with non- Aquabella employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company.

Employee's Printed Name

Position

Employee's Signature

Date

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Workplace Policies

Open Communication Policy

Aquabella encourages you to discuss any issue you may have with a co-worker directly with that person. If a resolution is not reached, please arrange a meeting with your manager / supervisor to discuss any concern, problem, or issue that arises during the course of your employment. Any information discussed in an Open Communication meeting is considered confidential. Retaliation against any employee for appropriate usage of Open Communication channels is unacceptable. Please remember it is counterproductive to a harmonious workplace for employees to create or repeat corporate rumors or office gossip. It is more constructive for an employee to consult his/her supervisor or manager immediately with any questions.

Outside Employment

Employees may not take an outside job, either for pay or as a donation of her/his personal time, with a customer or competitor of Aquabella; nor may they do work on their own if it competes in any way with the sales of products or services we provide our customers. If your financial situation requires you to hold a second job, part-time or full-time, or if you intend to engage in a business enterprise of your own, Aquabella would like to know about it. Before accepting any outside employment you are encouraged to discuss the matter with your manager / supervisor.

Termination of Your Employment

Aquabella will consider you to have voluntarily terminated your employment if you do any of the following:

1. Resign from Aquabella,

2. fail to return from an approved leave of absence on the date specified by Aquabella,
or
3. fail to report to work or call in for three (3) or more consecutive workdays.

You may be terminated for poor performance, misconduct, excessive absences, tardiness, discrimination, harassment, or other violations of Aquabella policies. However, your employment is at-will, and you and Aquabella have the right to terminate your employment for any or no reason.

Confidential Information

Upon accepting employment with Aquabella, you were asked to sign a Confidentiality Agreement, which generally provides that you will not disclose or use any Aquabella confidential information, either during or after your employment. We sincerely hope that our relationship will be long-term and mutually rewarding. However, your employment with Aquabella assumes an obligation to maintain confidentiality, even after you leave our employ.

Additionally, our customers and suppliers entrust Aquabella with important information relating to their businesses. The nature of this relationship requires maintenance of confidentiality. In safeguarding the information received, Aquabella earns the respect and further trust of our customers and suppliers.

If you are questioned by someone outside the company or your department and you are concerned about the appropriateness of giving them certain information, you are not required to answer. Instead, as politely as possible, refer the request to your manager / supervisor.

No one is permitted to remove or make copies of any Aquabella records, reports or documents without prior management approval. Disclosure of confidential information could lead to termination, as well as other possible legal action.

Customer Relations

The success of Aquabella depends upon the quality of the relationships between Aquabella, our employees, customers, suppliers and the general public. Our customers' impression of Aquabella and their interest and willingness to purchase from us is greatly formed by the people who serve them. In a sense, regardless of your position, you are Aquabella's ambassador. The more goodwill you promote, the more our customers will respect and appreciate you, Aquabella and Aquabella's products and services.

Below are several things you can do to help give customers a good impression of Aquabella. These are the building blocks for our continued success.

1. Act competently and deal with customers in a courteous and respectful manner.
2. Communicate pleasantly and respectfully with other employees at all times.

3. Follow up on orders and questions promptly, provide businesslike replies to inquiries and requests, and perform all duties in an orderly manner.
4. Take great pride in your work and enjoy doing your very best.

Equal Employment Opportunity:

Summary

Aquabella values the diversity of its workforce and takes steps to create and maintain an inclusive, non-discriminatory workplace where equal employment and advancement opportunities are available to all employees. We make employment decisions at Aquabella based on each person's performance, qualifications, and abilities and do not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Policy Statement

Aquabella provides equal employment opportunities to all employees without regard to race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity, citizenship, real or perceived disability or handicap, genetic predisposition, status as a Vietnam-era veteran, special disabled veteran, and/or any other protected category in accordance with applicable federal, state or local laws.

In addition, the Company complies with all state and local laws, regulations and ordinances governing nondiscrimination in employment in every location in which the Company has facilities and/or employees. 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, compensation, and training. Aquabella's President, Chief Executive Officer, or Chief Operating Officer issued the following policy stating Aquabella's views on this matter. It is the policy of Aquabella to comply with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA). Aquabella will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability. Aquabella will also make reasonable accommodation wherever necessary for all employees or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the essential duties and assignments connected with the job and provided that any accommodations made do not impose an undue hardship on Aquabella.

Employee Responsibilities

All managers are responsible for equal opportunity compliance, including but not limited to the examples below, and all employees are held accountable for strict adherence to this policy. Human Resources provides advice and assistance on all equal opportunity matters.

Efforts to provide equal-employment opportunities include:

- Basing employment decisions (recruiting, employing, training, and promoting individuals) solely upon an individual's qualifications for the position being filled;
- Making promotion decisions based on an individual's job performance, experience, abilities, skills, and interests compared to the specific requirements of the position being filled;
- Administering other personnel actions and programs such as compensation, benefits, transfers, recruitment, discipline, terminations, Company-sponsored training, educational tuition assistance, and social and recreational programs in a nondiscriminatory manner;
- Providing reasonable accommodations consistent with applicable laws to promote the full employment of individuals with disabilities;
- Communicating to all supervisors and managers that equal opportunity employment is an essential part of their responsibilities;
- Creating a discrimination-free environment in which all employees can work without fear of intimidation or harassment because of their race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity, citizenship, real or perceived disability or handicap, genetic predisposition, status as a Vietnam-era veteran, special disabled veteran, or based on their status in any group or class protected by applicable federal, state or local law; and
- Addressing and resolving complaints quickly and fairly.

Prohibited Discrimination and Harassment Policy:

Summary

Aquabella is committed to creating a professional and productive work environment where employees are treated with respect and dignity. The Company prohibits conduct of any kind that disrupts or interferes with another person's work performance and/or work environment, especially where that conduct could constitute discrimination or harassment. Harassment and/or discrimination of an individual or group on the basis of race, color, religion, creed, sex, sexual orientation, gender identity, national origin, age, marital status, citizenship, real or perceived disability or handicap, genetic predisposition, veteran status, or any other legally protected status is prohibited at Aquabella.

Policy Statement

The Company expressly prohibits any form of unlawful employee discrimination and/or harassment based on race, color, religion, creed, sex, sexual orientation, gender identity, national origin, age, marital status, citizenship, real or perceived disability or handicap, genetic predisposition, status as a Vietnam-era veteran, special disabled veteran, and any other legally protected status in accordance with applicable federal, state and local laws.

This policy applies to all persons involved in the operations of the Company and prohibits discrimination and/or harassment by any employee of the Company. The Company's policy also prohibits discrimination and/or harassment by vendors or clients, and prohibits Company employees from discriminating against and/or harassing vendors or clients. If discrimination and/or harassment occur on the job, whether on or off the premises or by someone not employed by the Company, the procedures in this policy should be followed as if the discriminator/harasser were an employee of the Company.

Prohibited discrimination and/or harassment by employees or others include(s) behavior such as:

- Verbal conduct such as epithets, derogatory comments, jokes or slurs based on an individual's membership in a protected category;
- Visual conduct such as derogatory posters, photography, cartoons, screensavers, drawings, or gestures based on an individual's membership in a protected category;
- Visiting internet sites that could be deemed inappropriate by fellow employees. Examples of sites in this category would be ones that contain offensive comments, jokes and/or radical political viewpoints based on a protected category;
- Making unwanted physical contact, including touching or hugging, interference with any individual's normal work movement, or assault; and
- Sending e-mails that contain discriminatory and/or harassing content based on a protected category; and/or
- Retaliation for making discrimination and/or harassment reports or threatening to report discrimination and/or harassment.

Third Party Conduct Employees who feel they have been harassed or have witnessed harassment by a third party (e.g., contractor, customer or vendor), are responsible for reporting the incident promptly in accordance with the procedures described above. The Company is committed to addressing the inappropriate behavior. The complaint will be investigated and addressed in cooperation with the third party.

Employee's Responsibilities

Employees are responsible for maintaining an environment that is free of inappropriate conduct.

Any employee who believes he/she has been discriminated against or harassed in violation of this policy should follow the Complaint Procedure for investigating and resolving such complaints.

Sexual Harassment Policy:

Summary

The Company is committed to providing a work environment free of sexual harassment, and all forms of sexual harassment are prohibited. The Company's Sexual Harassment Policy applies to all persons involved in the operations of the Company and prohibits sexual harassment by any employee of the Company. The Company's policy also prohibits sexual harassment by vendors or clients, and prohibits Company employees from discriminating against and/or harassing vendors or clients. If sexual harassment occurs on the job, whether on or off the premises or by someone not employed by the Company, the procedures in this policy should be followed as if the discriminator/harasser were an employee of the Company.

Policy Statement

Sexual harassment is defined as unwanted sexual advances, requests for sexual favors or visual, verbal, or physical conduct of a sexual nature when:

- submission to such conduct is made a term or condition of employment;
- submission to or rejection of such conduct is used as a basis for employment decisions affecting the individual; and/or

- such conduct has the purpose or effect of unreasonably interfering with an employee's work performance or of creating an intimidating, hostile or offensive working environment.

The following is a partial list of the types of behavior that employees or others are prohibited from exhibiting:

- Unwelcome sexual advances;
- Offering employment benefits in exchange for sexual favors;
- Making or threatening reprisals after a negative response to sexual advances;
- Visual conduct: leering, making sexual gestures, and/or displaying sexually suggestive objects, pictures, cartoons or posters;
- Verbal conduct: making or using derogatory comments, epithets, slurs, sexually explicit jokes;
- Comments about an employee's body or dress;
- Verbal sexual advances or propositions;
- Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, suggestive or obscene letters, notes or invitations or sexually or otherwise offensive emails;
- Repeated requests for dates;
- Touching, such as rubbing or massaging an individual's neck or shoulders, stroking someone's hair, or brushing against another's body;
- Sexually suggestive touching;
- Grabbing, groping, kissing, fondling;
- Sitting or gesturing sexually;
- Offensive e-mail or voice-mail messages;
- Visiting sites that could be deemed inappropriate to fellow employees, such as sites that depict pornographic and/or materials of a sexual nature;
- Questions about one's sex life or experiences;
- Physical conduct: touching, assault, impeding or blocking movements;
- Retaliation for making sexual harassment reports or threatening to report sexual harassment; and/or
- Any other conduct or behavior deemed inappropriate by the company.

Employee's Responsibilities

Employees are expected to act professionally at all times, and must avoid conduct of any kind that disrupts or interferes with another person's work performance and/or work environment.

Any employee who believes he/she has been discriminated against or harassed in violation of this policy should follow the Complaint Procedure for investigating and resolving such complaints.

Complaint Procedure for Discrimination and Harassment:

Summary Aquabella is committed to investigating and resolving reports or complaints of workplace discrimination and/or harassment. Employees should immediately report any potential discrimination and/or harassment to a member of management or Human Resources. Aquabella will not tolerate retaliation against an individual utilizing this Complaint Procedure. See Complaint Procedure for Complaint section for further details.

Policy Statement An individual subjected to what he/she believes is discrimination and/or harassment:

- May tell the discriminator/harasser to stop his/her unwanted behavior if he/she feels comfortable doing so; and
- Should immediately report the alleged incident to his/her manager, a member of Human Resources, or any other member of Aquabella management.

If an employee becomes aware of potentially discriminatory and/or harassing conduct engaged in or experienced by a Company employee, the employee should immediately report that information to his/her manager, a member of Human Resources or any other member of Aquabella management.

The Company is committed to promptly and thoroughly investigating any reports or complaints of discrimination or harassment, and will promptly take appropriate remedial action to resolve the problem. To help with the investigation, the individual should provide the Company with a detailed account of the events which he/she believes constitutes the alleged discrimination or harassment. The Company will maintain confidentiality to the extent practicable and appropriate under the circumstances.

The Company strictly prohibits retaliation against any person by another employee or by the Company for using this Complaint Procedure, reporting alleged discrimination or harassment, or for filing, testifying, assisting or participating in any manner in any investigation, including an investigation, proceeding, or hearing conducted by a governmental enforcement agency.

Any person who is found to have engaged in unlawful discrimination, harassment, or retaliation will be subject to disciplinary action up to and including termination of employment. A person who engages in discrimination or harassment could also be held personally liable for monetary damages.

The Company does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the Company reserves the right not to provide a defense or pay damages assessed against any employee for conduct in violation of this policy.

Employee Responsibilities Employees should immediately report any potential discrimination and/or harassment to a member of management or Human Resources.

Background Checks:

Employee Background Check

Prior to becoming an employee of Aquabella, a job-related background check may have been conducted. As you may know, a comprehensive background check may consist of prior employment verification, professional reference checks, and education confirmation. As appropriate, a credit, criminal, health examination and/or driving record history may have also been obtained.

Criminal Records

In response to Aquabella's zero-tolerance Violence in the Workplace Policy, Aquabella may conduct a pre-employment criminal check on those applicants for positions that may

involve close, unsupervised contact with the public. When appropriate, the criminal record is checked to protect Aquabella's interest and that of its employees and customers.

Health Examinations

Aquabella reserves the right to require an employee's participation in a health examination to determine the employee's ability for performing his/her essential job functions. All such health exams shall be paid for by the company.

Standards of Conduct

Each employee has an obligation to observe and follow the Company's policies and to maintain proper standards of conduct at all times. If an individual's behavior interferes with the orderly and efficient operation of a department, corrective disciplinary measures will be taken.

Disciplinary action may include a verbal warning, written warning, suspension without pay and discharge. The appropriate disciplinary action imposed will be determined by the company. The company does not guarantee that one form of action will necessarily precede another.

The following misconduct may result in discipline up to and including discharge; flagrant misconduct, violation of the company's policies or safety rules, insubordination, poor attendance, possession, use or sale of alcohol or controlled substances on work premises or during working hours, poor performance, theft or dishonesty, physical harassment, sexual harassment or disrespect toward fellow employees, visitors or other members of the public. These examples are not all inclusive. We emphasize that discharge decisions will be based on an assessment of all relevant factors.

Unacceptable Activities

Generally speaking, we expect each person to act in a mature and responsible way at all times. If you have any questions concerning any work or safety rule, or any of the unacceptable activities listed below, please see your manager / supervisor for an explanation.

Note that the following list of Unacceptable Activities does not include all types of conduct that can result in disciplinary action, up to and including termination. Nothing in this list alters the at-will nature of your employment; either you or Aquabella may terminate the employment relationship with or without reason, and in the absence of any violation of these rules.

1. Violation of any company rule; any action that is detrimental to Aquabella's efforts to operate profitably.
2. Violation of security or safety rules or failure to observe safety rules or Aquabella safety practices; failure to wear required safety equipment; tampering with Aquabella equipment or safety equipment.

3. Negligence or any careless action which endangers the life or safety of another person.
4. Being intoxicated or under the influence of a controlled substance while at work; use, possession or sale of a controlled substance in any quantity while on company premises, except medications prescribed by a physician which do not impair work performance.
5. Unauthorized possession of dangerous or illegal firearms, weapons or explosives on company property or while on duty.
6. Engaging in criminal conduct or acts of violence, or making threats of violence toward anyone on company premises or when representing Aquabella; fighting, or provoking a fight on company property, or negligent damage of property.
7. Insubordination or refusing to obey instructions properly issued by your manager pertaining to your work; refusal to help out on a special assignment.
8. Threatening, intimidating or coercing fellow employees on or off the premises at any time, for any purpose.
9. Engaging in an act of sabotage; negligently causing the destruction or damage of company property, or the property of fellow employees, customers, suppliers, or visitors in any manner.
10. Theft or unauthorized possession of company property or the property of fellow employees; unauthorized possession or removal of any company property, including documents, from the premises without prior permission from management; unauthorized use of company equipment or property for personal reasons; using company equipment for profit.
11. Dishonesty; falsification or misrepresentation on your application for employment or other work records; lying about sick or personal leave; falsifying reason for a leave of absence or other data requested by Aquabella; alteration of company records or other company documents.
12. Violating the non-disclosure agreement; giving confidential or proprietary Aquabella information to competitors or other organizations or to unauthorized Aquabella employees; working for a competing business while a Aquabella employee; breach of confidentiality of personnel information.
13. Spreading malicious gossip and/or rumors; engaging in behavior which creates discord and lack of harmony; interfering with another employee on the job; restricting work output or encouraging others to do the same.
14. Immoral conduct or indecency on company property.

15. Conducting a lottery or gambling on company premises.
16. Unsatisfactory or careless work; failure to meet production or quality standards as explained to you by your supervisor / manager.
17. Any act of harassment, sexual, racial or other; telling sexist or racist jokes; making racial or ethnic slurs.
18. Leaving work before the end of a workday or not being ready to work at the start of a workday without approval of your supervisor / manager stopping.
19. Sleeping or loitering during working hours.
20. Excessive use of company telephone for personal calls.
21. Creating or contributing to unsanitary conditions.
22. Posting, removing or altering notices on any bulletin board on company property without the permission of an officer of Aquabella.
23. Failure to report an absence or late arrival; excessive absence or lateness.
24. Filling your own order or invoicing or ringing up your own order.
25. Buying company merchandise for resale.
26. Obscene or abusive language toward any manager, employee or customer; indifference or rudeness towards a customer or fellow employee; any disorderly/antagonistic conduct on company premises.
27. Speeding or careless driving of company vehicles.
28. Failure to immediately report damage to, or an accident involving, company equipment.
29. Soliciting during working hours and/or in working areas; selling merchandise or collecting funds of any kind for charities or others without authorization during business hours, or at a time or place that interferes with the work of another employee on company premises.
30. Failure to use your timesheet; alteration of your own timesheet or records or attendance documents; punching or altering another employee's timesheet or records, or causing someone to alter your timesheet or records.

Crisis Suspension

If you commit any of the actions listed below, or any other action not specified but similarly serious, you will be suspended pending an investigation of the situation. Following the investigation you may be terminated without any previous disciplinary action having been taken.

1. Theft.
2. Falsification of Aquabella's records.
3. Failure to follow safety practices.
4. Breach of Confidentiality Agreement.
5. Threat of, or the act of, doing bodily harm.
6. Willful or negligent destruction of property.
7. Use and/or possession of intoxicants, drugs or narcotics.

The provision of this Disciplinary Policy is not a guarantee of its use. Aquabella reserves the right to terminate employment at any time, with or without reason. Additionally, Aquabella reserves the right to prosecute any employee for any of the above infractions.

Beginning Employment

Introductory Period

Your first thirty (30) days and in some cases sixty (60) days of employment at Aquabella are considered an Introductory Period, and during that period you will not be eligible for benefits described in this Employee Manual unless otherwise required by law. This Introductory Period will be a time for getting to know your fellow employees, your supervisor / manager and the tasks involved in your job position, as well as becoming familiar with Aquabella's products and services. Your supervisor / manager will work with you to help you understand the needs and processes of your job.

During this Introductory Period, Aquabella will evaluate your suitability for employment. Please understand, however, that completion of the Introductory Period does not guarantee continued employment, as employment is always at-will. You are free to terminate your employment at any time, with or without reason, and Aquabella may choose to terminate your employment at any time, with or without reason.

In order to ensure Aquabella is a good fit for you and you are a good fit for Aquabella, there will be at least two additional performance reviews as a newly hired employee. These performance reviews will take place after your introductory period and six months after your hire date. You will also have your regularly scheduled performance review at the end of the year.

Your supervisor / manager will discuss your job performance with you and provide a written copy of your performance review. If there are areas that need significant improvement, specific goals and time frames will be noted on the performance review. New hire performance reviews also allow us to highlight the positive progress and achievements you have accomplished during your beginning months with Aquabella.

A former employee who has been rehired after a separation from Aquabella of more than one (1) year is considered an introductory employee during their first sixty (60) days following rehire.

Transferred Employees

If you are “transferred” from a related company your official anniversary date shall be your start date with the related company for determining company benefits. Not all employees coming from a related company are considered transferred. For some employees coming from a related company, employment with Aquabella is considered as if the employee is a new hire. The President, Chief Executive Officer, or Chief Operating Officer will determine the “official” anniversary date for company benefits.

Anniversary Date

The first day you report to work is your "official" anniversary date. Your anniversary date is used to compute various conditions and benefits described in this Employee Manual.

Immigration Law Compliance

All offers of employment are contingent on verification of your right to work in the United States. On your first day of work you will be asked to provide original documents verifying your right to work and, as required by federal law, to sign Federal Form I-9, Employment Eligibility Verification Form. If you at any time cannot verify your right to work in the United States, Aquabella may be obliged to terminate your employment.

New Employee Orientation

On your first working day, you will be asked to complete employment paperwork. Depending on your department's workload, your supervisor / manager will introduce you to your co-workers and office layout. Please feel free to ask your colleagues any questions not answered during your orientation.

Work Schedule

Business Hours

Our regular operating hours are determined by the location where you work. The normal workweek consists of five (5) days, each eight (8) hours long, Monday through Friday. Your particular hours of work and the scheduling of your meal period will be determined and assigned by your manager / supervisor. Most employees are assigned to work a forty (40) hour workweek. You are required to take a 30-minute lunch, should you have any questions concerning your work schedule, please ask your manager / supervisor.

Attendance

Aquabella would like you to be ready to work at the beginning of your assigned daily work hours, and to reasonably complete your projects by the end of your assigned work hours. Please let your manager / supervisor know if you will be away from your work station for an extended period of time and when you expect to return.

Absence or Lateness

From time to time, it may be necessary for you to be absent from work. Aquabella is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside your work hours may arise. Sick days / PTO days have been provided for this purpose. If you are unable to report to work, or if you will arrive late, please contact your manager / supervisor immediately but in no case later than by 10:00 a.m. If you know in advance that you will need to be absent, please request this time off directly from your manager / supervisor.

If you are absent from work, your absence will be coded to your available Sick or PTO days until you have no remaining PTO or Sick Pay time available. When you have exhausted your PTO and Sick pay time, it will be up to your supervisor to determine if additional ABSENT days can be taken without pay. ABSENT time cannot be taken prior to your available Sick or PTO time being exhausted.

When you call in to inform Aquabella of an unexpected absence or late arrival, simply ask for your manager / supervisor. If you're arriving to work late, please let your manager / supervisor know when you expect to arrive for work. If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call for you.

Absence from work for three (3) consecutive days without notifying your manager / supervisor or the personnel administrator will be considered a voluntary resignation.

If you are absent because of an illness for three (3) or more successive days, your manager / supervisor may request that you submit written documentation from your doctor stating you are able to resume normal work duties before you will be allowed to return to work.

A consistent pattern of questionable absences can be considered excessive, and may be cause for concern. In addition, excessive lateness or leaving early without letting your manager / supervisor know will be considered a "lateness pattern" and may carry the same weight as an absence. Other factors, like the degree and reason for the lateness, will be taken into consideration.

Your manager / supervisor will make a note of any absence or lateness, and their reasons, in your personnel file. Be aware that excessive absences, lateness or leaving early may lead to disciplinary action, including possible dismissal.

Note: Information on the types of leaves offered and their qualification criteria are included in the "Leaves" section of this Employee Manual.

Disasters/Natural Disasters

Aquabella offers a generous paid time off policy to allow employees to have paid time off for expected and unexpected reasons. One of those unexpected reasons could be due to disasters/natural disasters. If Aquabella closes due to inclement weather or for other natural disasters for less than a full workweek, the company will pay salaried employees their full salary but will deduct the unworked (closed business) hours from your paid time off accrual. For hourly employees, you can choose to have the unworked (closed business) hours deducted from your paid time off accrual, or report zero hours on your timecard for the unworked (closed business) hours.

If Aquabella closes due to inclement weather or for other natural disasters for more than one full workweek, the company will not pay for the unworked (closed business) hours. You can determine if you would like to use your paid time off for those unworked hours.

Meal and Break Periods

You are entitled to two (2) fifteen (15) minute paid breaks each workday. Normally these breaks will be scheduled at two different intervals, one prior to your meal period and one after your meal period. These breaks should be scheduled with your manager / supervisor. If you work in a department where breaks are not directly assigned, please coordinate with your co-workers to maintain adequate coverage at all times.

If you work longer than four (4) hours, you will be given an unpaid meal period. The time when meal periods are scheduled varies among departments, depending on the needs of each department. You are requested not to perform any work during your regularly scheduled meal period. It is important to return to work on time at the end of your meal period.

Meal Room Facility

For your convenience and comfort, Aquabella (in some locations) provides a break room / kitchen area. This area is for everyone's use. It is your responsibility to do your share in keeping this facility clean and sanitary.

Please remember to use containers with reliable seals and label your food with your name and date. Food stored in the refrigerator for a period of more than 5 days will be disposed of.

Remote Work/Telecommuting Policy

Telecommuting allows employees to work at home for all or part of their workweek. Aquabella considers telecommuting to be a viable, flexible work option when both the employee and the job are suited to such an arrangement. Telecommuting may be appropriate for some employees and jobs but not for other.

Telecommuting is considered on a case-by-case basis. A telecommuting agreement must be approved by the employee, the manager and the HR department before the telework begins.

Telework is not designed to be a replacement for appropriate childcare. Although an individual employee's schedule may be modified to accommodate for childcare needs, the focus of the arrangement must remain on job performance and meeting business demands.

While performing official duties, remote workers are expected to have arranged for dependent care just as they would if they were working in the office. Aquabella's expectation is that dependent care would be arranged for any elementary age or younger child during normal business hours. Telecommuters are also encouraged to discuss expectations of telecommuting with older children prior to the teleworking arrangement.

While working remotely, you will have a set schedule. If there are deviations from that schedule, these will need to be communicated and approved with your supervisor in advance. Examples of deviations that would need to be approved in advance are running very long errands, extended lunches, or doctor's appointments.

Flexible schedules and accommodations may also be a possibility, please discuss with your supervisor the specifics of your teleworking request to review all the options that may be available.

The employee is expected to establish an appropriate work environment within his or her home for work purposes. Aquabella will not be responsible for costs associated with the setup of the employee's home office such as remodeling, furniture or lighting, nor for repairs or modifications to the home office space.

It is expected that the remote employee will abide by all criteria in the communications policy portion of the Aquabella Employment Manual. This includes being available on Skype with the camera turned on during all business hours and responding in a timely manner to all communications sent during business hours.

Employment Classifications

At the time you are hired, you are classified as either full-time, part-time or temporary. In addition, you are classified as either non-exempt or exempt. All other policies described in this Employee Manual and communicated by Aquabella apply to all employees, with the exception of certain wage, salary and time off limitations applying only to "non-exempt" employees. If you are unsure of which job classification your position fits into, please ask your manager / supervisor.

Full-Time Employees

An employee who has successfully completed their introductory period (see the Introductory Period Policy for a specific definition) and who works at least forty (40) hours per week is considered a full-time employee. Aquabella operates in more than one

state, and employment rules will be applied for the state in which you work. In many states the full-time rule is determined by 30 hours. Again, the employment rules in this manual will be adjusted for the local laws where you work and live.

Unless otherwise specified, the benefits described in this Employee Manual apply only to full-time employees.

If you were a full-time employee and were laid off, you will be considered a full-time employee upon return to work, provided that you were not laid off for longer than one (1) year.

If you were a full-time employee and have been on an approved leave of absence, upon return you will be considered a full-time employee, provided you return to work as agreed in the provisions of your leave.

Part-Time Employees

An employee who works less than forty (40) hours per week is considered a part-time employee. If you are a part-time employee, please understand that you are not eligible for benefits described in this Employee Manual, except as granted on occasion, or to the extent required by provision of state and federal laws.

Regular Employees

Employees hired to work on a regular basis for an indefinite period of time are classified as "regular" employees. Such employees may be either full- or part-time.

Temporary Employees

From time to time, Aquabella may hire employees for specific periods of time or for the completion of a specific project. An employee hired under these conditions will be considered a temporary employee. The job assignment, work schedule and duration of the position will be determined on an individual basis.

Normally, a temporary position will not exceed six (6) months in duration, unless specifically extended by a written agreement. Summer employees, interns and seasonal employees are considered temporary employees.

A temporary employee does not become a regular employee by virtue of being employed longer than the agreed upon specified period.

Temporary employees are not eligible for benefits described in this Employee Manual, except as granted on occasion, or to the extent required by provision of state and federal laws. Those temporary employees classified as "non-exempt" (see the section titled "Non-Exempt and Exempt Employees" below) who work more than forty (40) hours during any workweek will receive overtime pay.

Non-Exempt and Exempt Employees

At the time you are hired, you will be classified as either "exempt" or "non-exempt." This is necessary because, by law, employees in certain types of jobs are entitled to overtime pay for hours worked in excess of eight (8) hours per day or forty (40) hours per

workweek. These employees are referred to as "non-exempt" in this Employee Manual. This means that they are not exempt from (and therefore should receive) overtime pay.

Note: See Wage and Salary Policies in the section of this Employee Manual titled "Compensation" for a full description of overtime payment policies.

Exempt employees are managers, executives, professional staff, technical staff, outside sales representatives, officers, directors, owners and others whose duties and responsibilities allow them to be "exempt" from overtime pay provisions as provided by the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. If you are an exempt employee, you will be advised that you are in this classification at the time you are hired, transferred or promoted.

Personnel Records and Administration

The task of handling personnel records and related personnel administration functions at Aquabella has been assigned to the Accounting Manager / Human Resource Director. Questions regarding insurance, wages, and interpretation of policies may be directed to your immediate supervisor or the Human Resource Director.

Your Personnel File

Keeping your personnel file up-to-date can be important to you with regard to pay, deductions, benefits and other matters. If you have a change in any of the items listed below, please be sure to notify your manager / supervisor as soon as possible so that he/she may notify the Accounting Manager / Human Resource Manager.

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status
7. Change of beneficiary
8. Driving record or status of driver's license, if you operate any Aquabella vehicles
9. Military or draft status
10. Exemptions on your W-4 tax form
11. Training Certificates
12. Professional License

Upon experiencing a family status change, please notify manager within 31 days for benefit modifications, if necessary.

You may see information which is kept in your own personnel file if you wish, and you may request and receive copies of all documents you have signed. Please make arrangements with the Accounting Manager / Human Resource Director.

Your Medical Records File

All medical records, if any, will be kept in a separate confidential file. Aquabella maintains this information in the strictest confidence and may not use or disclose any unauthorized medical information about an employee or immediate family members without the employee first having signed an authorization form permitting such use or disclosure.

Compensation

The goal of Aquabella's compensation program is to attract potential employees, meet the needs of all current employees and encourage well-performing employees to stay with our organization. With this in mind, our compensation program is built to balance both employee and Aquabella needs.

Compensation Philosophy

It is Aquabella's desire to pay all regular employees' wages and salaries that are competitive with other employers in the marketplace in a way that will be motivational, fair and equitable. Compensation may vary with individual and company performance and in compliance with all applicable statutory requirements.

Aquabella applies the same principles of fairness to all employees, regardless of organizational level, race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, religion, creed, physical or mental disability, marital status, veteran status, political affiliation, or any other factor protected by law.

Basis for Determining Pay

Several factors may influence your rate of pay. Some of the items Aquabella considers are the nature and scope of your job, what other employers pay their employees for comparable jobs (external equity), what Aquabella pays their employees in comparable positions (internal equity), and individual as well as Aquabella performance. It is Aquabella's goal to have a current Job Description on hand which broadly defines your job responsibilities.

Pay Period and Hours and Pay Cycle

Your pay period and pay cycle is determined by the location where you work. Please ask your supervisor if you have any questions about your pay period, or pay cycle.

Changes will be made and announced in advance whenever Aquabella holidays or closings interfere with the normal pay schedule.

Paycheck Distribution

Paychecks will be distributed by your manager, or directly deposited to the checking or savings account you specify on the pay dates specified above.

On Call Pay

Occasionally, your department may ask you to return to work after you have left the premises for the day, or you may even be asked to work on weekends or holidays. If this occurs, you will be guaranteed a minimum of two (2) hours of pay, or the actual time worked, whichever is greater. On-call hours will be paid at regular time unless you exceed the forty (40) hours required for a normal work week, or based on the regulations in the state where you are working.

Computing Pay

Aquabella will compute your time on the basis of a forty (40) hour work week.

Mandatory Deductions From Paycheck

Aquabella is required by law to make certain deductions from your paycheck each time one is prepared. Among these are your federal, state and local income taxes and your contribution to Social Security as required by law. These deductions will be itemized on your check stub. The amount of the deductions will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. If you wish to modify this number, please request a new W-4 form from your immediate supervisor immediately. Only you may modify your W-4 form. Verbal or written instructions are not sufficient to modify withholding allowances. We advise you to check your pay stub to ensure that it reflects the proper number of withholdings.

The W-2 form you receive annually reflects how much of your earnings were deducted for these purposes.

Any other mandatory deductions to be made from your paycheck, such as court-ordered garnishments, will be explained whenever Aquabella is ordered to make such deductions.

Note: Please see "Wage Garnishments" later in this section for further information.

Payroll Advances

All payroll advances are given with the understanding that if the employee leaves the company for any reason including termination that all advances will be deducted from the employee's final paycheck. If the balance is greater than the amount of the final paycheck the employee will execute a document expressing the amount owed and stating the terms for collections of all outstanding amounts.

Direct Payroll Deposit

Direct payroll deposit is the automatic deposit of your pay into the financial institution accounts of your choice. Contact your manager for details and the necessary authorization forms.

Error in Pay

Every effort is made to avoid errors in your paycheck. If you believe an error has been made, tell your manager immediately. He/she will take the necessary steps to research the problem and to assure that any necessary correction is made promptly.

Overtime Pay

If you are a non-exempt employee, you will be eligible to receive overtime pay of one and one-half (1 1/2) times your regular hourly wage for approved hours worked over forty (40) hours in one (1) week. If, during that week, you were away from the job because of a job-related injury, paid holiday, jury duty, PTO day, or paid sick time, those hours not worked will not be counted as hours worked for the purpose of computing eligibility for overtime pay. Aquabella operates in more than one state, and overtime rules will be applied for the state in which you work.

Please note if you are a non-exempt employee on an approved flexible work arrangement, overtime hours will be computed only on those hours worked in excess of a forty- (40) hour workweek.

All overtime must be approved in advance by your manager.

Work Performed on Company Holidays

Full-time "non-exempt," those employees who are eligible for overtime pay in accordance with the Fair Labor Standards Act, employees who work on a company holiday are considered to have worked overtime on that day and will be paid overtime for hours worked, regardless of the number of hours worked during that same work week.

Compensatory Time Off

Aquabella does not offer compensatory time off, ("comp time"), to any Aquabella employee in lieu of overtime pay for overtime hours worked.

Time Records

By law, we are obligated to keep accurate records of the time worked by employees. This is done by time sheets.

You are responsible for accurately recording your time. No one may record hours worked on another's timecard or timesheet. Tampering with another's time record is cause for disciplinary action, up to and including possible termination, of both employees. In the event of an error in recording your time, please report the matter to your manager immediately.

Wage Garnishments

We hope you will manage your financial affairs so that we will not be obligated to execute any court-ordered wage garnishments. However, when court-ordered deductions are to be taken from your paycheck, you will be notified.

Aquabella acts in accordance with the federal Consumer Credit Protection Act, which places restrictions on the total amount that may be garnished from your paycheck.

Performance and Compensation Reviews

Performance Reviews

Because we want you to grow and succeed in your job, Aquabella conducts a formal review one (1) time per year for each employee. New employees may be reviewed near the end of their Introductory Period. A review may also be conducted in the event of a promotion or change in duties and responsibilities.

During a formal performance review your manager may cover the following areas:

- The quality and quantity of your work.
- Strengths and areas for improvement.
- Attitude and willingness to work.
- Initiative and teamwork.
- Attendance.
- Customer service orientation.
- Problem solving skills.
- Ongoing professional growth and development.

Additional areas may also be reviewed as they relate to your specific job.

Your review provides a golden opportunity for collaborative, two-way communication between you and your manager. This is a good time to discuss your interests and future goals. Your manager is interested in helping you to progress and grow in order to achieve personal as well as work-related goals - perhaps he/she can recommend further training or additional opportunities for you. The performance review gives your manager an opportunity to suggest ways for you to advance and make your job at Aquabella more fulfilling.

Your manager can answer any questions you may have about the performance review process.

Compensation Reviews

Aquabella's compensation reviews are usually given with performance reviews. Any applicable compensation increase will appear in the pay period ending after the date

granted. Compensation increases may be retroactive in the case of late reviews. Having your compensation reviewed does not necessarily mean that you will be given an increase due to individual and/or company performance.

An individual's pay will depend on how consistently he/she performs over a given period of time. During the review, significant performance events that occurred throughout the year will be discussed. The overall performance rating will influence the compensation adjustment.

In addition to individual job performance reviews, Aquabella periodically conducts a review of job descriptions to ensure that we are fully aware of any changes in the duties and responsibilities of each position, and that such changes are recognized and adequately compensated.

Employee Counseling Form

If there is a time during your employment when your supervisor feels there are areas where improvement is needed, your supervisor will meet and discuss these issues with you. During that meeting, an Employee Counseling Form will be completed. This form describes the concern as well as a negotiated plan of action. This form will be signed by your supervisor as well as yourself. This allows everyone to be clear on the concern and what the expected course of action is to resolve the concern.

Promotion and Transfer Policy

Aquabella has a policy of providing our employees with every opportunity for advancing to other positions within the company. Approval of promotions or transfers depends largely upon training, experience, and work record. Promotions and transfers are made without regard to race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, religion, creed, physical or mental disability, marital status, veteran status, political affiliation, or any other factor protected by law. However, Aquabella will continue to look outside the company for potential employees as well.

Benefits

A good benefits program is a solid investment in Aquabella's employees. Aquabella will periodically review the benefits program and will make modifications as appropriate to the company's condition. Aquabella reserves the right to modify, add or delete the benefits it offers.

Eligibility for Benefits

If you are a full-time employee, you will enjoy all of the benefits described in this Employee Manual as soon as you meet the eligibility requirements for each particular benefit. Coverages are available to you and your dependents as defined in the benefit summary plan descriptions.

If you are a part-time employee, you will enjoy only those benefits specifically required by law, provided that you meet the minimum requirements set forth by law and in the benefit plan(s).

Temporary employees are not eligible for benefits.

No benefits are available to you during your Introductory Period, except as otherwise provided by law.

Aquabella, Inc. has established a number of employee benefit programs for eligible employees. This handbook does not restate all of the features of these programs. To obtain details of the programs, please consult the official plan documents. To obtain a listing of benefits provided by Aquabella or to obtain plan documents, please talk to your supervisor.

It is Aquabella's intention to continue the employee benefit programs. The company reserves the right (whether in an individual case or more generally) to expand, modify, curtail, reduce or eliminate any benefit, in whole or in part, either with or without notice. Neither the benefit programs nor their descriptions are intended to create any guarantees regarding employment or continued employment.

Participation in some benefits may have eligibility requirements and/or employee contributions. When employee contributions are required, participation is entirely voluntary. Eligible employees who decline to pay required contributions are considered to have waived coverage. In such a case, any opportunity to elect coverage in the future will be subject to the terms, conditions, and limitations of the plan and/or insurance policies that are in effect at that time.

Insurance Coverage

Aquabella offers group medical insurance for regular full-time employees as of January 1, 2020. Aquabella contributes a monthly portion of the medical insurance cost for its employees at this time. The level of contribution is determined on an annual basis. You are eligible for participation in the group medical insurance the first day of the month following completion of your introductory period (generally 30 days).

Simple IRA

Aquabella offers a Simple IRA plan for regular full-time employees. Employees can determine their level of contribution and Aquabella will make matching contributions of up to 3% each pay period. The level of contribution is determined on an annual basis. You are eligible for participation in the company Simple IRA plan, the first day of the month following completion of your introductory period (generally 30 days)

Government Required Coverage

Workers' Compensation

If you are injured while performing your job, you may file for Workers' Compensation benefits. In addition to a loss-of-salary allowance, your medical and surgical expenses will be paid through Workers' compensation. Aquabella pays the full cost of the insurance to cover these payments. If you have an accident, you must report it immediately to your supervisor or your local Human Resources office. Failure to do so may result in disciplinary action.

Employees returning to work after being absent due to a work-related injury must report to their manager prior to beginning work and must bring a doctor's clearance for returning to work.

Unemployment Compensation

Depending upon the circumstances, employees may be eligible for Unemployment Compensation upon termination of employment with Aquabella. Eligibility for Unemployment Compensation is determined by the Division of Unemployment Insurance of the State Department of Labor. Aquabella pays the entire cost of this insurance program.

Unemployment compensation is designed to provide you with a temporary income when you are out of work through no fault of your own. For your claim to be valid, you must have a minimum amount of earnings determined by the State, and you must be willing and able to work. You should apply for benefits through the local State Unemployment Office as soon as you become unemployed.

Social Security

The United States Government operates a system of mandated insurance known as Social Security. As a wage earner, you are required by law to contribute a set amount of your weekly wages to the trust fund from which benefits are paid. As your employer, Aquabella is required to deduct this amount from each paycheck you receive. In addition, Aquabella matches your contribution dollar for dollar, thereby paying one-half of the cost of your Social Security benefits.

Your Social Security number is used to record your earnings. Employees are encouraged to protect your Social Security record by ensuring your name and Social Security number on your pay stub and W-2 Form are correct. You may also want to make sure your earnings statement is accurate each year by requesting a Personal Earnings and Benefit Estimate Statement from the U.S. Social Security Administration by calling 1-800-772-1213 or you may even access them on-line at www.ssa.gov.

Employee Purchases of Aquabella's Product

Employees giving discounts to friends is one of the most common abuses any company can face - we understand that it can be tempting to give friends a "good deal."

This is our company's policy concerning employee discounting:

The employee purchase privilege is offered for the use of employees and the members of their immediate family. Under no circumstances should company products be removed from the premises unless accompanied by a receipt from Aquabella. Employees are permitted to buy company products at a discount for personal use but it is an abuse of the employee purchase privilege to buy items from Aquabella on behalf of people outside your immediate family. Aquabella considers such behavior a form of theft and violators will be treated accordingly.

Merchandise must be checked out by someone other than yourself. The purchase may be paid for by cash, check (with invoice number on the check), and/or credit card. With your supervisor's approval and with the approval of the credit department credit may be established for your employee purchases. If you charge the purchase to Aquabella, you must pay the account in full within thirty (30) days or the outstanding balance will be deducted in full from your next paycheck or a final paycheck. Non-stock items must be paid for in advance and are not returnable or exchangeable.

We must continually work together to remove the threats posed by unauthorized employee purchasing. This is a priority at Aquabella. As an employee of Aquabella, you are entitled to purchase merchandise at ten (10) percent above Aquabella's cost, plus tax and freight, if applicable. What you buy must be for your own personal use or that of your immediate family and not for resale or use by others.

Leaves

Both paid and unpaid time off may be granted to eligible employees, according to the following leave policies. Please consult your manager for further information.

Paid Leaves

Holidays

Recognized Holidays

Regular full-time employees are eligible for holiday pay.

One day of Holiday pay is considered to be 8 hours. For salaried employees on an alternative work schedule (I.E. Four 10-hour days), holiday pay is considered 8 hours. The remaining 32 hours for the week are expected to be worked during the same work week.

Hourly employees are not eligible for holiday pay unless indicated in individual employment contract. If eligible, Holiday pay will be calculated by finding the average number of hours worked per week for the prior two pay periods multiplied by .20. (I.E. if an employee worked an average of 35 hours per week for the prior 2 pay periods, they would receive $35 \times .20 = 7$ hours of Holiday pay).

The following holidays are recognized by Aquabella as paid holidays:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Day After Thanksgiving
Christmas Eve
Christmas Day

Plus ONE of the following (depending on your branch location):

Good Friday (For Florida and New Jersey Branches)
An additional day floating holiday to be determined annually. Please refer to the yearly company holiday schedule.

Holiday Policies

You may take time off to observe your religious holidays. If available, a full day of unused PTO may be used for this purpose, otherwise you won't be paid for this time off. Please schedule the time off in advance with your manager.

All national holidays are scheduled on the day designated by common business practice.

In order to qualify for holiday pay, you must work the scheduled workday immediately before and after the holiday. Only excused absences will be considered exceptions to this policy.

If a holiday occurs during your scheduled PTO, you are eligible for the holiday pay.

You are not eligible to receive holiday pay when you are on an unpaid leave of absence.

PTO

All regular full-time employees are entitled to a Paid Time Off (PTO). PTO begins accruing 30 days after your hire date and accrues per pay period. (If your state has overriding legislation, the state policy will prevail).

Nevada employees will accrue PTO beginning on the first day of their employment (but must work for 90 days prior to using PTO) as per Nevada law.

PTO eligibility is based on length of service with the Company and is calculated in accordance with the following schedule:

Years of Employment	Accrual Rate For Hourly Employees Per Year (In Weeks)	Accrual Rate For Salaried Employees Per Year (In Weeks)
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Starting 0-4 Years	2 Weeks	2 Weeks
Starting 5 Years	3 Weeks	3 Weeks
Starting 10 Years	4 Weeks	4 Weeks

Salary employees earn the rates indicated PER PAY PERIOD in the chart below:

Years 0-4	3.33 hours
Years 5-9	5.00 hours
Years 10+	6.67 hours

Hourly employees earn the rates indicated in the chart below multiplied by the number of hours worked during the pay period. Overtime hours for hourly employees are not counted towards PTO accrual.

Years 0-4	.03846 hours multiplied by the number of regular hours in the pay period
Years 5-9	.05769 hours multiplied by the number of regular hours in the pay period
Years 10+	.07692 hours multiplied by the number of regular hours in the pay period

You cannot work through your PTO at your regular Company job and receive duplicate pay, nor can you take your scheduled PTO and work at another Company facility during that time. You may use your PTO in any increment up to a maximum of 8 hours per day.

You may borrow against future PTO accruals up to -40 hours. If you leave the company (by quitting or by termination) without earning back the borrowed leave, the negative accruals may be deducted from your final paycheck. If you have given notice of your resignation of employment, no additional negative PTO will be approved.

PTO may be taken any time (business needs permitting) during the year. Your request for PTO (for a non-emergency absence) must be submitted in advance to your supervisor. Please request PTO as far in advance as possible with a minimum of TWO WEEKS advance notice. If your request gives less than two-weeks' notice (short notice) and the work schedule cannot be adjusted for your absence, your request may be declined due to scheduling issues. Your supervisor is responsible for scheduling and approving your PTO. For salaried employees, your PTO approval will be submitted and approved through the payroll system and will be automatically deducted and applied on the appropriate pay period. For hourly employees, please indicate PTO hours used on your submitted timecards.

Your supervisor will determine the number of employees who may take their PTO at any one time and advise you when you may take your PTO. If you wish to change your PTO time, you must request such change from your supervisor.

Except in emergencies, PTO will generally be scheduled on a first-come first-serve basis (business needs permitting). However, preference will be given to employees with the longest continuous service. Additionally, an employee making the earlier request for a

particular PTO date will have preference over an employee making a later request for that same PTO date.

PTO Accrual Maximum

Employees accruing two weeks PTO per year (80 hours) may earn or accrue a maximum of four weeks (160 hours) of PTO pay. At such time such an employee has accrued 160 hours of PTO benefit, he or she will cease to accrue PTO.

Employees accruing 3 weeks PTO per year (120 hours) may earn a maximum of six weeks (240 hours) PTO. At such time an employee has accrued 240 hours of PTO benefit, he or she will cease to accrue PTO. (Note: this policy reflects vested PTO hours plus current year's accrual.)

Employees accruing 4 weeks PTO per year (160 hours) may earn a maximum of 8 weeks (320 hours) PTO. At such time an employee has accrued 320 hours of PTO benefit, he or she will cease to accrue PTO. (Note: this policy reflects vested PTO hours plus current year's accrual.)

No more than two weeks of PTO can be taken at one time without special management approval. Exceptions to this policy may be made in unusual circumstances. Each case will be viewed on an individual basis by management.

Unused PTO hours are eligible for payment at the end of employment with Company.

Sick Leave

All regular full-time employees with a minimum of twelve (12) month's continuous service are eligible for sick leave pay. Certain state guidelines require sick leave accrual prior to 12 month's service. These include:

All California and Arizona regular full-time employees begin accruing sick leave on the first day of employment (but must work for 90 days prior to using sick leave) as per California law.

All New Jersey regular full-time employees begin accruing sick leave on the first day of employment (but must work 120 days prior to using sick leave) as per New Jersey law.

Sick leave will accrue at a rate of 6 days per year. Sick pay will accrue until a maximum of 6 days are accrued. At that point no more accrual will be added until days are used.

Sick leave can be used for the employee when they are sick, or for employees to take care of household/family members who are sick. Sick leave can also be used for doctor appointments.

Salary employees earn the rate indicated PER PAY PERIOD as indicated below:

Years 1-10+	2.00 hours
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Hourly employees earn the rate indicated below multiplied by the number of hours worked during the pay period. Overtime hours for hourly employees are not counted towards sick accrual.

Years 1-10+ .02307 hours multiplied by the number of regular hours in the pay period.

As in the case of holiday pay, sick pay will not be paid when an employee is absent from work the day preceding or following a company recognized holiday, unless the sick pay request is accompanied by a licensed physician's verification of illness.

You may not borrow against future sick accruals. Sick pay must be accrued and available before it can be used. You may use your sick pay in any increment up to a maximum of 8 hours per day.

Employees who terminate for any reason are not eligible for unused sick pay.

Personal Leave of Absence

As a regular full-time employee, you are eligible for a Personal Leave of Absence provided **you complete Twelve (12) months of service**. Part-time and temporary employees are not eligible for a Personal Leave of Absence.

The Company may grant you a Personal Leave of Absence for **other legitimate reasons** up to a maximum of one hundred and eighty (180) continuous days. Personal Leaves will be without pay and Employee Benefits.

You must submit a written request for a Personal Leave to your supervisor, as far in advance as practical, with a written explanation of the nature of the leave and the expected length of absence. All Personal Leaves must be approved by your supervisor and the Chief Executive Officer or the Chief Operating Officer of the Company.

If a Personal Leave is granted, you must return to work at the end of your Personal Leave, otherwise your employment with the Company will be terminated. Reinstatement to your job cannot be guaranteed. However, the Company will make every effort to place you in a job with a level of responsibility and pay similar to that of your original job. This will depend on availability and need.

School Visit Leave

Parents or legal guardians of school children from kindergarten through grade twelve (12) are allowed to take up to four (4) hours of paid time off per school year per child to visit the child's school.

Funeral (Bereavement) Leave

While the length of a bereavement leave will be determined by all relevant factors in the employee's situation, and decided on a case-by-case basis, employees may receive up to three (3) working days of leave with pay (using sick time accrued to date if available , and if no sick time is available it will be given without any deduction of benefit) shall be granted to regular, full-time employees upon request to make arrangements for and attend funeral services of the employee's spouse, child, parent, parent-in-law, grandparent, grandparent-in-law, granddaughter, grandson, daughter-in-law, son-in-law, step-parent, brother, sister, brother-in-law, sister-in-law, daughter or son of the employee's spouse, and any relative living in the household of the employee.

With your manager approval, you may take up to one full day without pay to attend funerals of other relatives and friends. If you prefer, a day of accrued PTO may be used for this purpose.

Funeral leave pay will only be made to employees for actual time spent away from work for the funeral or its arrangements. For example, if the death occurs at a time when work is not scheduled, payment will not be made. If a holiday or part of your PTO occurs on any of the days of absence, you may not receive holiday or PTO in addition to paid funeral leave.

Jury Duty

If you are summoned for jury duty, you should immediately notify your supervisor. After completing 12 months of employment, all regular full-time employees will be paid the difference between their regular eight (8) hour pay and Jury pay for each day of jury service up to a maximum of five (5) days in a calendar year. Certification of service and a copy of the jury service pay is required before any payment will be made by the Company.

You must give your supervisor advance notice of the need for time off for jury duty. A copy of the court summons should accompany your request. If you are required to serve on a jury for longer than one (1) week, you must notify your supervisor. Special arrangements to cover your absence will be made.

If you are dismissed from jury duty before the end of the workday, you must report to work for the rest of the workday.

Unpaid Leaves

Occasionally, for medical, personal, or other reasons, you may need to be temporarily released from the duties of your job with Aquabella. It is the policy of Aquabella to allow its eligible employees to apply for and be considered for certain specific leaves of absence.

Time off for any reason during a working day will count first against your allotted sick days or personal days, as appropriate, in hourly, quarter day, half day or full day increments. Once you have used all of your accrued sick or personal days, the time may

be counted against your accrued PTO. Thereafter, unless specifically excepted, any time off will be without pay.

Failure to return to work as scheduled from an approved leave of absence or to inform your manager of an acceptable reason for not returning as scheduled will be considered a voluntary resignation of employment.

All requests for leaves of absence shall be submitted in writing to your manager. Each request shall provide sufficient detail such as the reason for the leave, the expected duration of the leave, and the relationship of family members, if applicable.

There are several types of unpaid leaves for which you may be eligible.

Family / Medical Leave of Absence

Aquabella will not discriminate against employees as a result of the approved use of family care or medical leave or a proper request for such leave. Requests for family care and medical leave will be considered without regard to race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, religion, creed, physical or mental disability, marital status or veteran status.

In general, a leave of absence is an official authorization to be absent from work **without pay** for a specified period of time. Eligible employees may be entitled to job-protected family or medical leaves of absence if they are unable to come to work due to pressing family or medical concerns as described within this Family / Medical Leave of Absence Policy, which shall be administered in accordance with applicable state and federal laws as follows:

1. Employees are eligible if they have been actively employed for twelve (12) months, and worked at least 1250 hours (an average of twenty-five (25) hours per week) during those twelve (12) months. This twelve- (12) month period "rolls back" from the date of leave to the prior twelve- (12) month period.
2. Employees may request one (1) or more family care or medical leaves, however, the total amount of leave taken cannot exceed twelve (12) work weeks in any twelve- (12) month period. You may request an intermittent leave or reduced schedule leave to care for a seriously ill family member or if you have a serious health condition that warrants such a request.
3. A family leave shall be granted upon the birth or adoption of a child of the employee, or upon the serious health condition of the employee's child, spouse, or parent.
4. A medical leave shall be granted upon the employee's own serious health condition.
5. In appropriate circumstances, we may require you to be examined by a company designated physician, at Aquabella's expense.

6. In the event of a serious health condition to the employee or his/her child, spouse, or parent, creating a need for unforeseeable family or medical leave, the employee must provide us with notice, as soon as reasonably possible, of any needed time off, and a written doctor's certificate. The certification must include the date on which the health condition occurred, the probable duration of the condition, an estimate of the amount of time you need to be off work to care for the family member or for your own health condition, and confirmation that the nature of the condition warrants you to be away from work to care for yourself or your dependent.
7. Employees shall be required to give thirty (30) days advance notice in the event of a foreseeable medical treatment. To assist us in arranging work assignments during your absence, we ask that you give us prior notice, to the extent possible, of an expected birth or adoption, as well as an indication, to the extent known, of your expected return date. To facilitate your return to work, we also ask that you provide us with two (2) weeks advance notification of your intended return date. Failure to do so may delay your return date.
8. For purposes of this policy, a child is defined as a natural, adopted, or foster child, a stepchild or a legal ward. If the child is over eighteen (18), he/she must be unable to care for himself/herself due to a serious illness.
9. A parent is defined as the employee's or his/her spouse's natural, adoptive, or foster parent, stepparent, or legal guardian.
10. A serious health condition is defined as a disabling physical or mental illness, injury, impairment, or condition involving 1) inpatient care in a hospital, nursing home, or hospice; or 2) outpatient care requiring continuing treatment or supervision from a health care professional.
11. Leave of absence rights available to you under other sections of our policy shall be counted towards the total time off available under this section.
12. A Family Care Leave that relates to the birth or adoption of a child must be completed within twelve (12) months of the birth or adoption.
13. Upon completion of a leave granted under this section, you shall be reinstated to your original position, or an equivalent one.
14. If, due to your own medical circumstances, you are no longer able to perform your original job, we will attempt to transfer you to alternate suitable work, if available.
15. You must use any accrued PTO or other accrued paid time off, during your family care or medical leave. If the leave is related to your own serious health condition, you must use any accrued sick leave during your medical leave.
16. While on a leave of absence provided for under this policy, we will continue your group health insurance benefits under the same terms as provided to other employees,

for up to a maximum of twelve (12) weeks leave during any one (1) year period. If your leave extends beyond twelve (12) weeks, you shall be offered the opportunity to purchase continuing coverage under state and federal COBRA continuation rules.

17. Other accumulated fringe benefits such as retirement, service credits, sick pay, PTO and the like, shall be preserved at the level accrued as of commencement of the leave, but shall not accrue further during any such leave period.
18. The pay allowances while on disability leave are based on an employee's length of service, as well as the state in which she/he is employed. Disability laws may vary from state to state, and at all times our disability leave policy will be in compliance with the laws of the state in which you are employed.
19. During a period of disability, you may be eligible for disability pay benefits. Please refer to the applicable plan documents for details on eligibility, benefit amounts, and other particulars.
20. If additional family care or medical leave is required you must, prior to expiration of the family care or medical leave, submit additional certification to Aquabella.
21. Should you seek a leave of absence for reasons other than described above, we will evaluate such a request based on particular circumstances present at that time, including but not limited to your current and anticipated work responsibilities, performance, and company needs. Aquabella reserves the right to refuse such a request at its sole discretion.

Disability (Including Pregnancy) Leave of Absence

Aquabella may grant an unpaid leave of absence for illness, disability or pregnancy. To request a disability leave of absence from your manager, you should submit, or have someone submit for you, a statement of ill health or disability from your doctor. (Pregnancy is treated, for the purposes of this policy, the same as an illness or disability.) An approved disability leave may be granted for up ninety (90) days. If necessary, you may request extensions in thirty (30) day increments for a maximum of one (1) year. Whenever possible, you are required to give as much notice as possible of your pending need for a disability leave of absence.

In the case of pregnancy, please inform your manager as soon as possible of the date you and your doctor anticipate that you will begin your leave. Your job status will be protected in that we will make every effort to hold your position open, or return you to a similar position if one is available, for which you may be qualified.

At the time the disability leave begins, any accrued personal leave or sick leave will be used. PTO previously accrued (but not used) at that time will also be paid if the employee so desires. These benefits do not continue to accrue during a leave of more than thirty (30) days. This policy applies to all employees. Your group insurance booklet should be reviewed to determine your insurance coverage during a leave of absence.

Employees who must remain away from work for more than the period of time allowed above will be considered terminated from employment. They are welcome to re-apply subject to Aquabella's usual hiring policies.

Employees who develop an illness or physical condition which requires medical treatment or restrictions and precautions will be required to submit a physician's statement. This statement must give approval that continued full-time employment in his/her present position will not jeopardize his/her health or the safety of others, in the event she/he continues to work. A similar statement is required upon return from a disability leave.

Should your attendance or job performance suffer during the period preceding and/or following a disability leave, we will accommodate you to the extent provided by law.

Military Leave of Absence

Aquabella will grant you a Military Leave of Absence for **Military Service and Reserve Unit or National Guard Training**.

If you are called to active military service, or if you volunteer for the same, you should submit copies of your military orders to your supervisor as soon as practical. You will be granted a Military Leave without pay during your service, in accordance with applicable Federal and State laws. To be reinstated, you must return to work for Aquabella within ninety (90) days following your honorable discharge from active military duty. Active military service will not be considered a break in service for any employee benefit plan or Company policy.

If you are called to Reserve Unit or National Guard training, you should submit copies of your military orders to you supervisor as soon as practical. You will be granted a Military Leave without pay for a period of up to two (2) weeks per year for your military training, according to applicable Federal and State laws.

Accepting Other Employment or Going Into Business While on Leave of Absence

If you accept any employment or go into business while on a leave of absence from Aquabella, you will be considered to have voluntarily resigned from employment with Aquabella as of the day on which you began your leave of absence.

Insurance Premium Payment During Leaves of Absence

No company insurance programs are in place at this time.

Safety

General Employee Safety

Aquabella is committed to the safety and health of all employees and recognizes the need to comply with regulations governing injury and accident prevention and employee safety. Maintaining a safe work environment, however, requires the continuous cooperation of all employees.

Aquabella will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your manager for assistance. Any suspected unsafe conditions and all injuries that occur on the job must be reported immediately. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each manager make the safety of employees an integral part of her/his regular management functions. It is the responsibility of each employee to accept and follow established safety regulations and procedures.

Aquabella strongly encourages you to communicate with your manager regarding safety issues.

Reporting Safety Issues

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your supervisor. If you or another employee is injured, you should contact outside emergency response agencies, if needed. If an injury does not require medical attention, a Incident Report must still be completed in case medical treatment is later needed and to ensure that any existing safety hazards are corrected. The Employee's Claim for Worker's Compensation Benefits Form must be completed in all cases in which an injury requiring medical attention has occurred.

Federal law (Occupational Safety and Health Administration) requires that we keep records of all illnesses and accidents which occur during the workday. The California state Workers' Compensation Act also requires that you report any workplace illness or injury, no matter how slight. If you fail to report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. OSHA also provides for your right to know about any health hazards which might be present on the job. Should you have any questions or concerns, contact your manager for more information.

Security Checks

Aquabella may exercise its right to inspect all packages and parcels entering and leaving our premises.

Parking Lot

You are encouraged to use the parking areas designated for our employees. Remember to lock your car every day and park within the specified areas.

Courtesy and common sense in parking will help eliminate accidents, personal injuries, and damage to your vehicle and to the vehicles of other employees. If you should damage another car while parking or leaving, immediately report the incident, along with the license numbers of both vehicles and any other pertinent information you may have, to your manager. Aquabella cannot be and is not responsible for any loss, theft or damage to your vehicle or any of its contents.

Safety Rules

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all Aquabella activities. We want to protect you against industrial injury and illness, as well as minimize the potential loss of production.

Below are some general safety rules to assist you in making safety a regular part of your work. Your manager may post other safety procedures in your department or work area.

Working Safely

Safety is everyone's responsibility. Remind your co-workers about safe work methods. Start work on any machine only after safety procedures and requirements have been explained. Immediately report any suspected hazards and all accidents to your manager.

Lifting

Ask for assistance when lifting heavy objects or moving heavy furniture. Bend your knees, get a firm grip on the object, hold it close to your body and space your feet for good balance. Lift using your stronger leg muscles, not your weaker back muscles.

Materials Handling

Do not throw objects. Always carry or pass them. Use flammable items, such as cleaning fluids, with caution. Also, stack materials only to safe heights.

Trash Disposal

Keep sharp objects and dangerous substances out of the trash can. Items that require special handling should be disposed of in approved containers.

Cleaning Up

To prevent slips and tripping, clean up spills and pick up debris immediately.

Preventing Falls

Keep aisles, work places and stairways clean, clear and well lighted. Walk, don't run. Watch your step.

Handling Tools

Exercise caution when handling objects and tools. Do not use broken, defective or greasy tools. Use tools for their intended purpose only. Wear safety glasses or goggles whenever using a power tool.

Falling Objects

Store objects and tools where they won't fall. Do not store heavy objects or glass on high shelves.

Work Areas

Keep cabinet doors and file and desk drawers closed when not in use. Remove or pad torn, sharp corners and edges. Keep drawers closed. Open only one drawer at a time.

Using Ladders

Place ladders securely. Do not stand on boxes, chairs or other devices not intended to be used as ladders.

Machine Guards

Keep guards in place at all times. Do not clean machinery while it is running. Lock all disconnect switches while making repairs or cleaning.

Personal Protective Equipment

Always wear or use appropriate safety equipment as required in your work. Wear appropriate personal protective equipment, like shoes, hats, gloves, goggles, spats and hearing protectors in designated areas or when working on an operation which is potentially hazardous.

Electrical Hazards

Do not stand on a wet floor while using any electrical apparatus. Keep extension cords in good repair. Don't make unauthorized connections or repairs. Do not overload outlets.

Fire Extinguishers

Know where fire extinguishers are and how to use them.

Report Injuries

Immediately report all injuries, no matter how slight, to your manager.

Ask Questions

If you are ever in doubt regarding the safe way to perform a task, please do not proceed until you have consulted a manager. Employees will not be asked to perform any task which may be dangerous to their health, safety or security. If you feel a task may be dangerous, inform your manager at once.

We strongly encourage employee participation and your input on health and safety matters. Please obtain a Safety Suggestion Form from your manager for this purpose. Employees may report potential hazards and make suggestions about safety without fear of retaliation. We appreciate, encourage and expect this type of involvement! The success of the safety program relies on the participation of all employees. Though it is Aquabella's responsibility to provide for the safety, health and security of its workers

during working hours, it is the responsibility of each employee to abide by the rules, regulations and guidelines set forth.

Remember, failure to adhere to these rules will be considered serious infractions of safety rules and will result in disciplinary actions.

Weapons

Aquabella believes it is important to establish a clear policy that addresses weapons in the workplace. Specifically, Aquabella prohibits all persons who enter company property from carrying a handgun, firearm or other prohibited weapon of any kind unless the person is properly licensed to carry the weapon in that state.

Any employee disregarding this policy will be subject to immediate termination.

Fire Prevention

Know the location of the fire extinguisher(s) in your area and make sure they are kept clear at all times. Notify your manager if an extinguisher is used or if the seal is broken. Keep in mind that extinguishers that are rated ABC can be used for paper, wood, or electrical fires. Make sure all flammable liquids, such as alcohol, are stored in approved and appropriately labeled safety cans and are not exposed to any ignition source.

In Case of Fire

If you are aware of a fire, you should:

- Dial 911 or the local fire department.
- If possible, immediately contact your manager. Evacuate all employees from the area.
- If the fire is small and contained, locate the nearest fire extinguisher. This should only be attempted by employees who are knowledgeable in the correct use of fire extinguishers.
- If the fire is out of control, leave the area immediately. No attempt should be made to fight the fire.

When the fire department arrives, direct the crew to the fire. Do not re-enter the building until directed to do so by the fire department.

Emergency Evacuation

If you are advised to evacuate the building, you should:

- Stop all work immediately.
- Contact outside emergency response agencies, if needed.
- Shut off all electrical equipment and machines, if possible.
- Walk to the nearest exit, including emergency exit doors.

- Exit quickly, but do not run. Do not stop for personal belongings.
- Proceed, in an orderly fashion, to a parking lot near the building. Be present and accounted for during roll call.

Do not re-enter the building until instructed to do so.

Housekeeping

Neatness and good housekeeping are signs of efficiency. You are expected to keep your work area neat and orderly at all times - it is a required safety precaution.

If you spill a liquid, clean it up immediately. Do not leave tools, materials, or other objects on the floor which may cause others to trip or fall. Keep aisles, stairways, exits, electrical panels, fire extinguishers, and doorways clear at all times.

Easily accessible trash receptacles and recycling containers are located throughout the building. Please put all litter and recyclable materials in the appropriate receptacles and containers. Always be aware of good health and safety standards, including fire and loss prevention.

Please report anything that needs repairing or replacing to your manager immediately.

Office Safety- Office areas present their own safety hazards. Please be sure to:

- Leave desk, file or cabinet drawers firmly closed when not in use.
- Open only a single drawer of a file cabinet at a time.
- Arrange office space to avoid tripping hazards, such as telephone cords or calculator electrical cords.
- Remember to lift things carefully and to use proper lifting techniques.

Property and Equipment Care

It is your responsibility to understand the machines needed to perform your duties. Good care of any machine that you use during the course of your employment, as well as the conservative use of supplies, will benefit you and Aquabella. If you find that a machine is not working properly or in any way appears unsafe, please notify your manager immediately so that repairs or adjustments may be made. Under no circumstances should you start or operate a machine you deem unsafe, nor should you adjust or modify the safeguards provided.

Do not attempt to use any machine or equipment you do not know how to operate, or if you have not completed training on the proper use of the machine or equipment.

Restricted Areas

In the interest of safety and security, certain portions of Aquabella's facilities may be restricted to authorized personnel only. Such areas will be clearly marked.

Safety Rules When Operating Machines and Equipment

When operating machines and equipment, please be sure to follow these procedures:

- Make sure machine guards are in place while machines are in operation.
- Remove loose clothing, jewelry or rings before operating machinery.
- Wear steel toe shoes, prescription eye protection, and back brace to start the job, if required.

Required personal protective equipment, except for prescription glasses, steel toe shoes, and back braces will be issued to you by your manager.

We will continue to provide a clean, safe and healthy place to work and we will provide the best equipment possible. You are expected to work safely, to observe all safety rules and to keep the premises clean and neat. Remember that carelessly endangering yourself or others may lead to disciplinary action, including possible termination.

Security

Maintaining the security of Aquabella buildings and vehicles is every employee's responsibility. Develop habits that ensure security as a matter of course. For example:

- Always keep cash properly secured. If you are aware that cash is insecurely stored, immediately inform the person responsible.
- Know the location of all alarms and fire extinguishers, and familiarize yourself with the proper procedure for using them, should the need arise.
- When you leave Aquabella's premises make sure that all entrances are properly locked and secured.

Smoking

Aquabella is committed to providing a safe and healthy environment for employees and visitors. Therefore, smoking is not permitted. Please remember to conform to our customer's smoking policies when working at a customer's site.

Local Management may allow smoking in special outside areas which have been clearly defined and designated as smoking areas. You may smoke only in these areas during your meal period and permitted breaks. **You may not take unauthorized breaks to smoke.**

All employees are expected to abide by this policy while at work.

Separation of Employment

Termination

Aquabella operates under the principle of at-will employment. This means that neither you nor Aquabella has entered into a contract regarding the duration of your employment. You are free to terminate your employment with Aquabella at any time, with or without reason. Likewise, Aquabella has the right to terminate your employment, or otherwise discipline, transfer, or demote you at any time, with or without reason, at the discretion of Aquabella.

Aquabella hopes and expects that you will give at least two (2) weeks notice in the event of your resignation. Any accrued but unused PTO will be paid out at the time of employment termination.

If your compensation includes any form of bonus or commission, any earned but unpaid bonuses/commissions will be forfeited upon termination.

Insurance Conversion Privileges (if health insurance benefits are in place)

According to the federal Consolidated Omnibus Budget Reconciliated Act (COBRA) of 1985, in the event of your termination of employment with Aquabella or loss of eligibility to remain covered under our group health insurance program, you and your eligible dependents may have the right to continued coverage under our health insurance program for a limited period of time at your own expense.

At your exit interview or upon termination, you will learn how you can continue your insurance coverage and any other benefits you currently have as an employee who is eligible for continuation. Consult manager for additional details.

Exit Interviews

In a termination situation, Aquabella management would like to conduct an exit interview to discuss your reasons for leaving and any other impressions that you may have about Aquabella. During the exit interview, you can provide insights into areas for improvement that Aquabella can make. Every attempt will be made to keep all information confidential.

Return of Company Property

Any Aquabella property issued to you, such as product samples, computer equipment, keys, parking passes or company credit card must be returned to Aquabella at the time of your termination. You will be responsible for any lost or damaged items. The value of any property issued and not returned may be deducted from your paycheck, and you may be required to sign a wage deduction authorization form for this purpose.

Former Employees

Depending on the circumstances, Aquabella may consider a former employee for re-employment. Such applicants are subject to Aquabella's usual pre-employment procedures. To be considered, an applicant must have been in good standing at the time of their previous termination of employment with Aquabella.

Reinstatement of Benefits (Bridging)

If you were an employee of Aquabella with at least twelve (12) months of continuous employment, and were rehired within twelve (12) months of your termination date, you will be eligible to continue your benefits at the level you enjoyed at the time of your termination of previous employment with Aquabella.

Post-Employment Inquiries

Aquabella does not respond to oral requests for references. In the event your employment with Aquabella is terminated, either voluntarily or involuntarily, your manager, may be able to provide a reference to potential employers only if you have completed and signed a release form.

As an employee of Aquabella, do not under any circumstances respond to any requests for information regarding another employee unless it is part of your assigned job responsibilities. If it is not, please forward the information request to your manager.

Workplace Policies

This Employee Manual is designed to answer many of your questions about the practices and policies of Aquabella. Feel free to consult with your manager for help concerning anything you don't understand.

Communications

Successful working conditions and relationships depend upon successful communication. Not only do you need to stay aware of changes in procedures, policies and general information, you also need to communicate your ideas, suggestions, personal goals or problems as they affect your work.

In addition to the exchanges of information and expressions of ideas and attitudes which occur daily, make certain you are aware of and utilize all Aquabella methods of communication, including this Employee Manual, bulletin boards, discussions with your manager, memoranda, staff meetings, newsletters, training sessions, and company e-mail.

You will receive other information booklets, such as your insurance booklets, from time to time. You may take these booklets home so that your family may know more about your job and your benefits.

In addition, you may receive letters from Aquabella. There is no regular schedule for distribution of this information. The function of each letter is to provide you and your

family with interesting news and helpful information which will keep you up-to-date on the events here at Aquabella.

Company and Department Meetings

On occasion, we may request that you attend a company sponsored meeting. If this is scheduled during your regular working hours, your attendance is required. If you are a non-exempt employee, and attend a meeting held during your non-working hours, you will be paid for the time you spend in the meeting. If the meeting is not held before or after your normal working hours then you will be paid for travel time to and from the meeting.

Computer Software (Unauthorized Copying)

Aquabella does not condone the illegal duplication of software. The copyright law is clear. The copyright holder is given certain exclusive rights, including the right to make and distribute copies. Title 17 of the U.S. Code states that "it is illegal to make or distribute copies of copyrighted material without authorization" (Section 106). The only exception is the users' right to make a backup copy for archival purposes (Section 117). The law protects the exclusive rights of the copyright holder and does not give users the right to copy software unless a backup copy is not provided by the manufacturer. Unauthorized duplication of software is a federal crime.

Use of Company E-Mail, Voice Mail, and PC's/Computer Systems

Aquabella owns, licenses and operates electronic mail (e-mail) and voice mail systems. Inappropriate or offensive use of these systems is prohibited. Aquabella may monitor, control, restrict, cancel, or otherwise change your e-mail and voice mail privileges at any time. Messages on these systems are not private and are subject to disclosure. Likewise, any e-mail messages residing on the Company's Personal Computer (PC) that are exchanged through the Internet or on-line services will be subject to these rules.

You may not install personal software on any **Company Owned Personal Computer**, unless authorized by the Information Systems Department. If authorized, you must provide proof of ownership before such personal software may be installed. You may not install, maintain or play any game software on any PC.

You are issued confidential password(s) to operate one or more of the Company's computer systems or log on into a PC network. Additionally, you must not leave open access under your password to a computer system for other employees to use.

Contributions

From time to time, Aquabella makes donations to worthwhile charities and colleges in its own name. All decisions concerning contributions will be made by an officer of Aquabella.

Dress Code and Personal Appearance

You are expected to maintain your personal appearance and hygiene and to dress in a neat, well-groomed and appropriate manner suitable to your work environment. Your supervisor will inform you of the acceptable, safe and functional dress code for your facility and work area. If you are required to wear a uniform, wear it properly and in its entirety. This includes name badges, footwear and safety equipment, as applicable.

Uniforms should be clean and neatly maintained. If your uniform becomes torn or damaged beyond repair or if you lose your uniform, please advise your supervisor,

Footwear must be appropriate to your work environment. Certain work environments will require sturdy footwear (that is, boots with steel toe-guards).

If you come to work improperly dressed or groomed for your work environment, your supervisor may instruct you to return home to change clothes. You will not be paid for this time away from work.

For additional information, please contact your supervisor.

Drug-Free Workplace Policy:

Summary At Aquabella, we are concerned about the well-being of our employees. Being under the influence of drugs or alcohol on the job may pose serious safety and health risks not only to the user, fellow team members, as well as our customers. Additionally, the possession, use or sale of an illegal drug or alcohol in the workplace may also pose unacceptable risks for a safe, healthful and efficient operation.

In an effort to protect all our employees and customers, Aquabella has a comprehensive Substance Abuse Policy to promote healthy and responsible lifestyles for our employees.

Policy Statement The Aquabella Substance Abuse Policy identifies the following times in which drug testing may take place is allowed by local and state laws where the employee is working:

- Pre-employment, applicant testing
- Random testing of employees
- Testing of employees based on reasonable suspicion of drug use
- Testing of employees involved in on-the-job accidents or who engage in unsafe on-duty job-related activities
- Testing associated with drug use counseling or rehabilitation

Testing will be done in a private and respectful manner. Any non-negative result is scrutinized by a second test in a laboratory to ensure its accuracy. As an added safeguard, all laboratory results are subject to review by a Medical Review Officer who is a licensed physician, knowledgeable of substance abuse and qualified to evaluate non-negative test results before they are reported to Human Resources.

- Applicants and employees may submit medical documentation supporting the lawful use of an otherwise illegal drug.
- An altered specimen will be considered a positive result and the employee will be subject to immediate termination.

- Employees who refuse to take a required drug test will be subject to immediate termination.
- Employees who have been selected for an on-the-job drug test are required to remain within a designated area until the test is completed or released by their manager. Failure to comply with this restriction may result in termination.

Employees found to use illegal drugs based on any of the following appropriate forms of evidence, shall be subject to immediate termination:

- Direct observation
- Arrest and conviction due to drug use
- Verified positive test results
- Voluntary admission, unless made prior to being required to take a drug test and the admission is made in conjunction with a request for assistance from a rehabilitation program

Employee Responsibilities Employees must comply with the policy and remain substance-free while on the job. Employees with a substance abuse problem are encouraged to voluntarily request help for the treatment of drug and/or alcohol abuse, and to utilize the Employee Assistance Program (EAP) or contact the Human Resources Department with questions regarding the EAP before they are required to submit to a drug test. Eligible employees may be granted paid or unpaid leave in accordance with the Company’s leave policies and procedures.

Employees and applicants are entitled to copies of written test results and may request a copy.

Expense Reimbursement

To be reimbursed for all authorized expenses, you must submit an expense report or voucher accompanied by receipts and it must be approved by your manager. Please submit your expense report or voucher each week, as you incur authorized reimbursable expenses. In order for Aquabella to keep records and accounting accurate and current, expense reports or vouchers older than three (3) months old may not be honored.

Personal Vehicle If you are asked to conduct company business using your personal vehicle, you will be reimbursed at the rate established by the company for that year. You will be paid a travel/vehicle allowance and/or asked to submit fuel expense receipts on your weekly expense report. You will also need to review and sign the Company Vehicle and Company Driver Policy Acknowledgment.

Company Vehicle If you are provided a company vehicle you will need to review and sign the Company Vehicle and Company Driver Policy Acknowledgment.

Tolls Tolls incurred as part of your daily commute to and from your local branch are considered normal personal expenses and are not reimbursable. Tolls incurred for business activities are reimbursable and are not considered part of a separately paid travel allowance amount.

Flight Upgrades Company policy is to travel coach when flying. If you choose to upgrade your airfare, please use your personal credit for the ticket purchase and then submit an expense report for reimbursement of the coach travel cost.

Company Credit Card The Company will issue company credit cards to certain employees for use in their jobs; Use of company-issued credit cards is a privilege, which the Company may withdraw in the event of serious or repeated abuse. Any credit card the Company issues to an employee must be used for business purposes only, in conjunction with the employee's job duties. Employees with such credit cards shall not use them for any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties. Employees must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than the Company) with their own funds or personal credit cards. The Company will not regard expenses for one's own business-related use, such as lodging and meals while on company-approved business trips, as personal purchases, as long as such expenses are consistent with the Company's travel and expense reimbursement policy

Receipts must be obtained for each purchase and submitted monthly when requested by accounting. Employee will have ten days from time of request to provide receipts for all transactions.

Complaints

Policy Statement A complaint is any complaint, problem or concern of an employee regarding their workplace, job or coworker relationships. Complaint should be filed within 10 days of the incident. Complaints can be filed for any of the following reasons:

- Workplace harassment
- Health and safety
- Supervisor behavior
- Adverse changes in employment conditions

This list is not exhaustive. However, employees should try to resolve less important issues informally before resorting to a formal complaint.

Employees who file complaints can:

- Reach out to their direct supervisor for an informal resolution
- Reach out to HR for an informal resolution
- Reach out to HR for a formal resolution
- File a complaint form explaining the situation in detail

Employees who face allegation(s) have the right to:

- Receive a copy of the allegations against them
- Respond to the allegations

Aquabella is obliged to:

- Have a formal complaint procedure in place
- Communicate the procedure
- Investigate all complaints promptly
- Treat all employees who file complaints equally
- Preserve confidentiality at any stage of the process
- Resolve all complaints when possible

Complaint Procedure

Begin with Step 1 and move through the additional steps as needed.

- Step 1: Employees are encouraged to talk to each other to try and resolve the problem. If this isn't possible, please move to the next step below.
- Step 2: Communicate informally with your direct supervisor. The supervisor will try to resolve the problem. If the complaint relates to a supervisor behavior that can bring disciplinary action (e.g. sexual harassment or violence), employees should refer directly to the HR department
- Step 3: Reach out to HR for an informal or formal resolution. ****PLEASE NOTE**** If a formal complaint is filed, the employee who faces allegations will be given a copy of the complaint to allow them to formally respond.

The HR department will do the following:

1. Ask employee to fill out a complaint form (within 10 days of incident)
2. Talk with the employee to ensure the matter is understood completely
3. Investigate the matter
4. Provide the employee who faces allegations with a copy of the complaint
5. Organize mediation procedures if necessary (e.g. arranging a formal meeting)
6. Keep employees informed throughout the process
7. Communicate the formal decision to all employees involved within seven (7) business days of the filed complaint form.
8. Work with employee(s) to continue resolution of complaint and implementation of formal decision.

9. Keep accurate records

This procedure may vary according to the nature of a complaint. For example, if an employee is found guilty of an unacceptable activity this may result in disciplinary action, up to and including termination. This complaint procedure does not alter the at-will nature of your employment; either you or Aquabella may terminate the employment relationship with or without reason at any time.

Conflict of Interest

When you accept employment with the Company, you assume an obligation to satisfactorily perform your job and avoid conflicts of interest. In other words, you are not to use your job for personal advantage. Further, you should have no outside interest which may, in fact or appearance, interfere with the best interests of the Company.

Conflicts of interest are prohibited. They include seeking or accepting money, favors or expensive gifts from vendors. You may receive a gift of nominal value provided you report it to your supervisor. Meals at reasonably priced restaurants may be accepted at your discretion. Additionally, conflicting business, community or political involvements, should be avoided. If you need help in identifying a conflict of interest, please contact your supervisor.

For any uncertain situation, your supervisor may consult with your Human Resources Manager to decide whether a specific situation is a conflict of interest.

Employment of Relatives

The Company allows the employment of a relative, as long as such employment is in good judgement and does not create a supervisor to subordinate relationship. A relative is defined as your spouse, child, step-child or grandchild, you or your spouse's parent, grandparent, brother or sister, aunt or uncle, or first cousin.

Each situation is carefully reviewed when a relative of an active employee is being considered for employment. You must obtain the approval of the President, Chief Executive Officer, or Chief Operating Officer before hiring a relative.

Employees who marry while employed or become involved in espousal relationships are also treated within this guideline.

Workplace Violence Prevention Policy:

Summary Aquabella is committed to establishing a workplace for its employees, customers, vendors or others on its premises that is free from violent or threatening behavior. The Company

will not tolerate any acts or threats of violence against its employees, customers or visitors either on Company premises or through its communications channels.

Additionally, any acts or threat of violence committed by Aquabella employees while doing business on behalf of the Company will not be tolerated. Covered conduct extends to any activity by an employee that reflects negatively upon the Company, is inconsistent with the conduct that is expected of employees and/or is adverse to Aquabella's legitimate business interests. If such behavior occurs, the Company will take immediate and appropriate steps to correct the situation.

Policy Statement The Company expressly prohibits disruptive, threatening, intimidating, or bullying behavior and any acts or threats of violence which involve or affect any current or former employee, customer, vendor, or other third party on or about its facilities or elsewhere at any time, either on or off duty. Acts or threats of violence include but are not limited to:

- conduct against persons or property that is sufficiently severe, offensive, or threatening as to give an individual reasonable cause to believe that he/she, or others, are at risk of injury; or
- conduct that creates a hostile, abusive, or intimidating work environment.

The Company's prohibition against threats and acts of violence as described above applies to all persons, including but not limited to, Company personnel, contract and temporary workers, employees of outsourced services, clients, customers, and family members/domestic partners.

The Company will take immediate and appropriate action to protect Aquabella employees and ensure a safe and secure workplace. This may include disciplinary action consistent with applicable law against any employee who violates this policy, up to and including termination of employment.

Specific examples of conduct by employees or others that are prohibited under this policy include, but are not limited to, the following:

- hitting, pushing, physical assault, or other physically aggressive acts directed against other individuals or property;
- confrontations threatening to harm an individual or his/her family, friends, associates or their property;
- intimidating, menacing or frightening behavior, either verbal or physical, toward other individuals;
- making or sending harassing or threatening telephone calls, voice mail messages, e-mail messages, threatening letters or other forms of written or electronic communication;
- intimidating or attempting to coerce an individual to commit wrongful acts as defined by applicable law, administrative rule or to violate Company policy;
- the willful, malicious and repeated following or stalking of another person and making of a credible threat with the intent of placing another individual in reasonable fear for his/her safety;
- the intentional destruction of or threat of damage or destruction to property owned, operated or controlled by the Company; and/or
- conduct or remarks that could cause the person to reasonably believe that he/she is under threat of harm.

Employee Responsibilities Any employee who is aware of a violation of this policy must report it to his/her immediate supervisor, another member of management, or Human Resources. In emergency situations, local law enforcement or the police should be notified immediately.

Employees must notify Human Resources of protective or restraining orders which may impact the workplace. In addition, employees are required to report any arrests or convictions for any criminal offense to the Human Resources Department. The Company will evaluate such information consistent with applicable law. To report any incidents or concerns, contact Human Resources. The Company will undertake a prompt investigation of any violation of this policy, maintaining confidentiality to the greatest possible extent. The Company expressly prohibits any form of retaliatory action against individuals who make reports in good faith under this policy.