

Orchard

Employee Manual

Dear Orchard Care Partner,

Congratulations and welcome to our Orchard family! We are happy that you've chosen Orchard and hope we have a long and rewarding partnership together. This Employee Handbook contains our "roadmap" regarding policies, procedures and expectations relating to your employment with us. I encourage you to read this Handbook thoroughly and then keep it for future reference.

Orchard's success stems from You! We could not do it without passionate, talented and dedicated employees, such as yourself, as part of our team. We look to each of you to bring your talents and creativity to life within our Orchard community. Our seniors are special people and so are you!

Creating and maintaining our culture is everyone's job. As you walk this journey with us you will learn more about what drives our culture and how our employees bring it to life each day. We are committed to providing an exceptional experience for residents, families and employees as the "community of choice". We believe in keeping the human spirit alive, celebrating the vitality, energy and individuality of each resident and each other. With ALL of our efforts, we will succeed in creating and providing a *purposeFULL* and rewarding place to live and work. The Orchard is family owned and operated and we look forward to making our family a part of yours.

Welcome to the Orchard Family – we're glad to have you on our team!

Our House...Your Home. After all...It's F-A-M-I-L-Y!

Sincerely,

Arkadiy Yakubov
Idea Alchemist

INTRODUCTION

About Your Employee Handbook

This Employee Handbook contains information about Orchard. This Handbook is meant to be your guide to our Human Resources and Administrative Policies and Programs. However, it is only intended to be a source of information and a general statement of Orchard's policies and procedures. It is not a contract of employment, expressed or implied, except with regard to the binding arbitration provisions herein which remain a binding contract, or a promise of employment upon specific terms. For those of you who have received other handbooks or other policy statements, oral or written, in the past, this Handbook revokes and supersedes them.

The Company expressly reserves all of its traditional management rights, including, without limitation, the right to unilaterally revise, interpret or discontinue any of the policies, procedures, rules or benefits set forth in this Handbook, and all other policies, procedures, benefits, and programs of Orchard, with or without notice. In no case, however, may any such action alter the prevailing "at-will" employment relationship or guarantee any particular benefits, procedures, terms or conditions of employment, nor can anyone "guarantee" your employment or provide you with a contract of employment.

From time to time, you may receive updated information concerning changes in Orchard's policies or procedures. If you have any questions, please ask your supervisor or another member of our Leadership team for assistance. If there is something you do not understand in this Handbook, please ask your supervisor to explain it to you. Remember, this is an important reference source for you. Keep it handy and refer to it often.

Nothing in this Handbook is intended to violate a law, disobey a statute, or disregard a governmental rule or regulation. If there are any conflicts between this Handbook and any state, federal or local law, rule or regulation, or the terms and conditions of applicable plans such as insurance policies, etc., the law, regulation, rule or official text of the plan or policy will govern in that order.

The descriptions of the benefit programs contained in this Handbook are general in nature. Benefit-eligible employees will receive Orchard's Benefits Resource Guide. Employees are advised to consult with Business Administration Director or to review the summary plan descriptions and other governing documents for further details. Copies of the governing documents of these benefit plans are available from the Business Administration Director. The actual plan documents determine the precise benefits, terms, conditions, exclusions and restrictions that apply to coverage under these programs. Orchard and/or its plan administrators and fiduciaries reserve the maximum discretion permitted by law to administer, interpret, enhance, modify, discontinue or otherwise change any benefit plan, program, practice, policy or procedure. While employees may receive feedback in response to questions about the benefit programs we offer, none of those responses can modify the terms of the governing documents.

Upon receipt of this Handbook, you will be asked to sign a Receipt and Acknowledgement that you have received a copy of the Handbook and that it is your responsibility to know, understand and comply with the information provided in the Handbook. If you do not ask anyone about it, it is fair to assume that you do know and understand the contents of the Handbook, and will follow the guidelines outlined.

OUR HISTORY

In 2006, our Founder was seeking the ideal Atlanta assisted living care for his grandmother. As he searched he wasn't satisfied with the assisted living communities he found in the Greater Atlanta area, so he set out to develop and build a community that had everything he was looking for. Out of this desire came the creation of Safe Haven Senior Living.

Safe Haven has been recognized for its exceptional care of seniors and earned a Top 1% award within the senior care field. The success of these smaller communities led our founder to want to help more families and seniors on a broader scale, hence the creation of the Orchard.

Like Safe Haven, the Orchard is built on a foundation of care and compassion...***a community of care.***

OUR PHILOSOPHY

We have a simple philosophy: we believe in offering the opportunity for a ***purposeFULL*** life. This means providing an atmosphere and environment that offers vitality, enrichment, and opportunity while simultaneously delivering the best Care Partnering to ensure the health and well-being of every resident.

Where did our name Orchard come from? An Orchard requires just the right amount of nurturing and care – the right amount of sunlight, water, fertilizer, etc. – for it to thrive and produce a successful harvest. We believe Seniors all can thrive and be successful, no matter what season of life they may be in. As our Care Partners deliver just the right amount of nurturing and personalized care, our Seniors can blossom and continue to live a fruitful life.

The Orchard was founded on the principles that the needs of our residents come first. We offer support to residents *and* their families. Assisted living or memory care can be stressful for families to discuss and agree upon. With so many wonderful communities throughout the region, what distinguishes the Orchard as the best? Our philosophy: keep the human spirit alive and celebrate the vitality, energy, and individuality of each resident.

OUR STRUCTURE

Our communities are organized into several departments, all of which work together to meet our residents' needs. The **Executive Director** oversees all of these departments and provides leadership for the entire community.

Resident Care, led by the **Resident Care Director (RCD)**, includes all the Resident Assistants (Professional Care Partners), nurses and Certified Medication Assistants. These staff members help residents with their activities of daily living such as bathing, dressing, and mealtime assistance, while also supporting their cognitive well-being. In addition, the RCD also partners with outside provider partners in the coordination of home health needs.

Marketing, led by the **Director of Community Relations**, works with all prospective residents and their families, as well as outside groups like hospitals which refer residents

to our communities. The Director of Community Relations helps train all staff on handling inquiries and providing great customer service.

Dining, led by the **Culinary Leader**, is responsible for providing high quality meals and great service. This department includes cooks, dishwashers and in some communities, servers. All Resident Assistants also help with meal service.

Resident Relations, led by the **Director of First Impressions**, makes sure each resident, family or guest receives a warm and sincere greeting whether it is on the phone or in person. This department includes front desk receptionists/concierge and provides residents with miscellaneous services such as newspaper delivery, special transportation or scheduling of various appointments.

Resident Engagement, led by the **Engagement Leader**, provides activities designed to engage and enrich the lives of each resident every day. Resident Assistants are expected to help with these activities.

Business Office functions are overseen by the **Business Administration Director**, who manages accounts payable and accounts receivable, i.e. resident billing, community financials, etc. The Business Administration Director also oversees many Human Resource functions, i.e. payroll for staff, keeps track of employee files, helps with the hiring process and orients all employees about benefits, etc.

Maintenance is usually a one-person department run by the **Maintenance Leader** who keeps the building looking great, makes repairs as necessary, prepares apartments for new residents and watches out for safety concerns by inspecting the building and conducting fire drills. The Maintenance Leader also oversees the Housekeeping team.

If you have a question or concern about any aspect of your job, speak to your supervisor first. You may also speak with the Executive Director to also assist in getting the answers or help you may need.

EMPLOYMENT

Employment at Will

You are employed with Orchard (Orchard) on an “at-will” basis. At will employment means that employees are free to resign with or without notice or reason. Likewise, Orchard retains the right to terminate employment at any time, for any reason, so long as it’s not in violation of law.

The policies and procedures set forth in this Handbook are not a contract of employment and nothing contained herein or any other document provided to you is intended to be, nor should it be seen as, a guarantee that your employment or any particular benefit will be continued for any period of time.

Orchard maintains the right to direct and control the operation of its business, including the management, assignment, location, scheduling, and direction of its work force. The provisions of the Handbook may be amended or cancelled at any time at Orchard’s sole discretion, with or without notice.

The policies, practices and procedures described in this Handbook supersede any previous oral or written policies, practices and procedures on the same subjects.

Equal Employment Opportunity

Orchard is proud to be an equal opportunity employer. Orchard does not discriminate in employment opportunities, decisions or practices on the basis of race, color, religion, sex, national origin, age, physical or mental handicap or disability, citizenship or any other characteristic protected by law (may also be “protected class”). To provide equal employment and advancement opportunities to all individuals, employment decisions at Orchard will be based upon merit, qualifications and abilities. Orchard will also make reasonable accommodations for qualified individuals with known disabilities, unless doing so would result in undue hardship on Orchard. This policy governs all aspects of employment, including hiring, job assignment, training, promotion, compensation, discipline, termination and access to benefits and training.

Compliance with Laws

All employees must comply fully with all laws and regulations that apply to their Community. When the application of such laws or regulations is uncertain, employees are required to seek the guidance and advice of their supervisor/manager. No employee should at any time take any action on behalf of the Community which is known or should be known to violate any applicable law or regulation. If an employee learns of potentially unlawful conduct by another employee, it must be promptly reported to his/her supervisor/manager.

Anti-Discrimination and Unlawful Harassment Policy

Orchard precludes discrimination or harassment based upon race, color, religion, sex, national origin, age, physical or mental handicap or disability, citizenship or any other protected category under any federal, state or local laws applicable to the Company.

You have the right to work in an environment free of discrimination, which includes freedom from harassment. Discrimination will not be tolerated in our community in any form – by supervisors, co-workers, or other business contacts.

Harassment can occur in many situations, but it is often viewed as a situation in which an individual in a position to control, influence, or affect your employment, compensation, promotion, or job assignment uses that power to coerce or punish you. Harassing conduct includes, but is not limited to, slurs, jokes, or degrading comments concerning sex, age, race, religion, national origin, physical or mental handicap or disability, citizenship or any other protected category under any federal, state or local laws.

With respect to religious preferences, Orchard prohibits unwelcome attempts for one employee to convert another employee or impose upon another employee his/her religious beliefs or preferences.

Note, however, that it is not considered unlawful harassment for members of management to enforce Orchard's policies, job performance and/or conduct standards in a fair and consistent manner.

'No Sexual Harassment' Policy

Orchard prohibits unwelcome sexual advances, requests for sexual favors, and all other verbal or physical conduct of a sexual or otherwise offensive nature. **Sexual harassment** does not refer to occasional compliments of a socially acceptable nature or welcomed social relationships. No form of discriminatory or disrespectful conduct by or toward any employee will be tolerated.

Examples of the types of conduct expressly prohibited by this policy include, but are not limited to:

- Subjecting another person to repeated unwelcome sexual advances or repeated unwelcome requests for sexual favors or other verbal or physical conduct of a sexual nature;
- Sexually oriented or explicit remarks, including written or oral references to sexual conduct, gossip regarding one's sex life, body, sexual activities, deficiencies or prowess
- Unwanted or offensive questions about one's sex life, preference or experiences.
- Sexual assault
- Sexual favors in return for employment rewards, or threats if sexual favors are not provided

If you believe that you have been the subject of sexual harassment, or you have knowledge of sexual harassment at the community, you should report the issue immediately to your supervisor and/or the Executive Director.

'No Harassment' Based on other Protected Categories

Prohibited harassment based on race, color, gender, religion, national origin, older age or mental or physical disability occurs:

- Where an individual uses spoken or written words or engages in physical conduct that puts down, ridicules, or shows hostility, hatred or dislike or loathing of an employee or an employee's relatives, friends, or employees; and
- The conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment of the employee or of unreasonably interfering with the employee's work performance or such conduct otherwise adversely affects an employee's work performance.

Examples of the types of conduct expressly prohibited by this policy include, but are not limited to:

- Unwanted or offensive comments, slurs, jokes, letters, email or voicemail messages regarding sex, age, race, religion, national origin, physical or mental handicap or disability, citizenship or any other legally protected status.
- Suggesting by words or acts that persons with the person's characteristics cannot or will not perform required work.
- Engaging in threatening, intimidating, or hostile acts; or placing on walls, bulletin boards, or elsewhere in the workplace or circulating in the workplace written or graphic materials of an unlawfully harassing nature.

Discrimination/Harassment Reporting Policy

Orchard employees with concerns about perceived discrimination or unlawful harassment in the workplace (sexual, religious, due to disability, national origin, race, color or other legally protected characteristics) by anyone, including co-workers, residents, residents' visitors, or any other visitor or vendor to the workplace, are encouraged, but not required, to immediately tell the person the conduct is unwelcome and ask the person to stop the conduct. A person who receives such a request must immediately stop the behavior and must not retaliate, or seek revenge against you for rejecting the conduct.

- If you believe that you have experienced discrimination or unlawful harassment in the based race, color, sex, religion, national origin, age, mental or physical handicap or disability, citizenship, or any other legally protected characteristics, or if you believe you have been treated in an unlawful, discriminatory manner, you should immediately report any such incident to your Human Resources leader or any department manager or the Executive Director.
- Alleged incidents will be investigated with due regard to the privacy of everyone involved, understanding that complete confidentiality is not always possible.
- Complaints will be investigated promptly and, as appropriate, actions taken to resolve such complaints shall be conducted as confidentially as possible.
- Any employee who, after appropriate investigation, is found to have violated this policy (or any of the Company's policies) will be subject to disciplinary action, up to and including termination of employment.

Anti-Retaliation

Orchard prohibits any form of retaliation against any person who in good faith reports his or her concerns about discrimination, harassment, or for the truthful, good faith assistance in a complaint investigation. Any employee who believes he or she has been subjected to retaliation in violation of this policy should immediately report the retaliation to your Business Administration Director (Human Resources) or to any other supervisor or manager (a department manager or your Executive Director).

Confidentiality

Complaints may be made confidentially. If advised that an investigation is confidential, witnesses should not discuss or disclose inquired-upon information or any other aspects related to the investigation with any other person, whether employee, resident or family member. However, a person who is a witness during an investigation shall not be prohibited from confidentially discussing aspects with his or her personal attorney or other

legally recognized representative. Divulging confidential information during an investigation may result in disciplinary action, up to and including termination.

Handicap or Disability Accommodation

Orchard will conform to requirements of the Americans with Disabilities Act and state law as applicable to the community. Qualified individuals with disabilities may be entitled to an accommodation in the workplace. If you believe you require an accommodation, please communicate that information to your Executive Director. Orchard will accommodate your needs consistent with its work requirements, and the status of job assignments. If you have any questions regarding the application of these laws to your situation, you may discuss them confidentially. Information regarding a disability or handicap will be kept confidential and will not be disclosed except on a need-to-know basis to medical personnel, supervisory personnel, records custodians or appropriate governmental officials.

Reporting Relationships – Employment of Relatives

Orchard permits the employment of relatives of employees as long as the relative is qualified for the job and such employment does not, in the opinion of management, create actual or perceived conflicts of interest (as described below). No special consideration will be given to applicants who are relatives of current employees. At Orchard “relative” is considered to be a spouse, child, parent, sibling, grandparent, grandchild, aunt, uncle, niece, nephew or corresponding in-law or “step” relation, as well as individuals who are cohabitating together in a significant relationship. Orchard will use sound business judgement in the placement of related employees in accordance with the following guidelines:

- Individuals who are related are permitted to work in the same community, provided no direct or indirect reporting or supervisory/management relationship exists.
- If, in the opinion of management, the relationship of employees interferes with the work performance of those employees, or co-workers, employment of one, the other, or both may be subject to disciplinary action, up to and including termination of employment.
- These guidelines apply to all classifications of employment, including full time, part time, temporary and PRN.

Employment Applications

Orchard relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented by applicants and employees throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in Orchard’s exclusion of the individual from further consideration for employment or, if the person has been hired, may result in termination of employment, regardless of the time elapsed before discovery of such misrepresentations, falsifications or material omissions.

Employment Reference Checks

Orchard has the right to check the employment references of all applicants to ensure those who join Orchard are well-qualified and have a strong potential to be productive and successful. Orchard will maintain confidentiality of all reports and records related to such inquiries. When contacted by other employers regarding employment reference check

inquiries, it is Orchard's policy to only verify dates of employment, wage rates and position(s) held and re-hire eligibility. Without consent of the employee no person is authorized to provide any information to any prospective employer or other requesting authority or agency in excess of the standard practice. All reference checks, to include but not limited to, employment, verification by a lender, car dealer, landlord, or others should be referred to the Human Resources leader within your community.

Criminal Background Checks

Orchard requires a criminal background inquiry (and/or fingerprint clearance) on everyone offered a position. Each new employee or volunteer will be considered conditionally employed pending the result of a needed criminal or additional background investigation. An individual with a record of criminal activity may be denied employment if the circumstances of the conviction substantially relate to circumstances of the particular job or would make that individual unqualified for his or her job. Orchard is prohibited from hiring or employing in certain positions or certain classes of positions, under any circumstances, any person convicted of certain classes of crimes. Prohibited crimes as used herein may change from time to time based upon the law, and the background will be examined on a case-by-case basis.

During your employment with Orchard, you must report any new felony or misdemeanor convictions beyond minor traffic violations to your supervisor. Failure to provide information, or providing inaccurate or incomplete information to Orchard regarding your conviction record or with regard to pending charges at any time, including while employed by Orchard is grounds for immediate termination of employment. All employees are expected to reflect the highest levels of professionalism and honesty, as you are entrusted with our resident's well-being and have access to company and individual's property and confidential information. Employees may, at any time, at Orchard's request, be subjected to extensive background checks, credit checks, drug and alcohol tests, criminal investigations, questioning, and searches. From time to time, Orchard will audit background screenings for current employees.

Motor Vehicle Record Check

If your job responsibilities require driving, Orchard may obtain a Motor Vehicle Record (MVR) check at the time of hire and annually thereafter. Failure to meet Orchard's established MVR criteria is cause for corrective action, up to and including termination of employment.

Proof of Employment Eligibility

At time of hire, you will be required to complete Form I-9 Employment Eligibility Verification and present information establishing your identity and your eligibility to work in the United States. Orchard participates in the E-Verify Program. E-Verify is an internet-based program in which the employment authorization of a newly hired employee and existing employees will be verified after the Form I-9 Employment Eligibility Verification has been completed. This involves separate verification checks (if necessary) of records maintained by the Social Security Administration and/or the Department of Homeland Security.

All pending employees who cannot provide the required documentation will not be hired. Also, if the required documentation cannot be verified, it will be same as not providing the required documentation, and the pending employee will not be hired. If someone has

already been hired, and the required documentation is not present, or if the required documentation cannot be verified, then he or she will be terminated from employment.

Certification of Good Health

Orchard requires physical examinations, which may include a substance-abuse screening, and compliance with immunization standards for positions where mandated by state law or licensing agencies. This is to ensure you are placed in a job that can be performed without endangering the health and safety of you, our residents or your co-workers. Any required physical exams will take place after an offer of employment is made, but before an employee may commence his or her employment. Staff may be required to obtain a tuberculin skin test. Employees returning to work after a medical leave for personal injury or illness must submit a physician's statement of "fitness for duty" before being permitted to return to work.

In the event such personal injury or illness is considered as or regarded as a disability pursuant to the ADA or ADAAA, the employee must request a reasonable accommodation if needed, prior to being allowed to return to work.

Employees returning from paid time off or leave who have traveled to a foreign country may be required to obtain medical certification of an absence of communicable disease.

Licensure/Certification/Registration

To maintain acceptable standards of care, certain occupations may require licensure, certification or registration. If you are hired in such a position or job classification, you must present original documentation showing current licensure or eligibility at the time of your hire and thereafter, in accordance to the timeframes established by the appropriate licensing agency. A copy of this documentation will be maintained in your personnel file. You must also notify your supervisor immediately of any change in your licensure, certification or registration status. Compliance with this policy is a necessary condition for continued employment. A failure to timely renew or obtain licensure for any position requiring a license may be grounds for immediate disciplinary action, up to and including termination of employment.

Orientation and On-Boarding

During your first few days of employment you will participate in an orientation and on-boarding process. During this process, you will receive important information regarding the performance requirements of your position, basic Orchard policies and procedures including those summarized in this Handbook, your compensation and benefit programs, plus other information necessary to acquaint you with your job and the workplace. You will also be asked to complete all necessary paperwork at this time, such as emergency contact information, Form I-9 Employment Eligibility Verification and appropriate federal, state and local tax forms. Please use this orientation process to familiarize yourself with our organization, policies, procedures and benefits. We encourage you to ask any questions you may have during this process so that you will understand all the guidelines that affect and govern your employment relationship with us. If, after the orientation process is complete, you still have additional questions, please do not hesitate to ask your supervisor.

Coaching/Counseling/Performance Management

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. You are encouraged to ask your supervisor at any time, "How am I doing?". Performance evaluations may be conducted whenever there is a need as determined by the Company.

Formal performance evaluations are conducted to provide supervisors and employees the opportunity to discuss job tasks, identify opportunities for improvement, recognize strengths, and discuss positive, purposeful actions for continued success and/or meeting goals. Typically, all employees will have their performance appraised at least one (1) time per year.

Coaching/counseling/performance management sessions document performance, as does the formal performance evaluation; however, they are not guarantees of pay increases. You and your supervisor are also expected to use these sessions and evaluations as a basis for professional growth, development and communication. We ask that you sign an appraisal form indicating your performance has been discussed with you. Your signature on the appraisal form does not necessarily mean you agree with the evaluation. You are encouraged to make written comments on the appraisal form prior to signing it.

An Action Plan is a means to focus attention on multiple deficits in job performance. This method of performance management is a joint effort by the employee and the supervisor to create and optimize a successful strategy for performance improvement. Rather than a disciplinary action, this is a tool created to communicate what needs to be accomplished to succeed and necessary steps to achieve specific goals and objectives. A failure to meet or exceed expectations on an ongoing basis could result in disciplinary action, up to and including termination of your employment. It will indicate an unwillingness or inability to fulfill the expectations of performance of your job. This is not part of the corrective action notice procedure.

Advancement

Orchard believes in promoting employees from within and has established a job-posting program to give employees an opportunity to apply for positions for which they are qualified, and for which they are interested in being considered. Orchard reserves the right to make decisions on whether to post a particular position. Internal and external candidates will be considered for posted positions. If you or someone you know is interested in an open position, please visit the Careers section on our website (www.orchardseniorliving.com) and follow the "Apply Online Now" link. Prior to applying for open positions, please be sure to inform your supervisor of your interest in transferring or being promoted.

To be eligible to apply for a posted position you must:

- Meet the minimum hiring specifications for the position;
- Be capable of performing the essential functions of the job, with or without reasonable accommodations;
- Be an employee in good standing in terms of your overall work record; and
- Have been in your current position for a minimum of six (6) months (the six-month service requirement may be waived by supervisor based on circumstances).

You are responsible for monitoring job vacancy notices and for completing an in-house application form and submitting it to your supervisor and the Business Administration Director during the posting period for a specific opening.

Your supervisor will be contacted prior to the completion of the interview process to discuss your overall work record and abilities. It is your responsibility to monitor the position and the progression of your candidacy for that position.

Service Awards

Since people are Orchard's most valuable assets, service awards are given at two years of service and then at each five-year increment (5, 10, 15 years, etc.) as a form of recognition for years of service to Orchard.

Access to Personnel Records and Data Changes

A personnel file is maintained for each employee. These files contain documentation regarding various aspects of your employment, such as your job application, performance appraisal forms, corrective action notices and other employment records. Personnel files are not the property of the employee but are property of Orchard, and access to the information these files contain is restricted. Generally, only supervisors and management personnel who have a legitimate business need to know may review this information and are allowed to do so. If you are interested in reviewing your file, submit a written request to your Business Administration Director. State law governs whether you may request a copy of your file. You do have a right to review your file for accuracy while employed or subsequent thereto if provided by state statute or regulation, and in the event your file contains information that you believe to be in error, you may make a statement and have it placed into your file. In the event a document is missing, you may make a statement regarding the missing document or documents and place that in your file. Nothing may be removed from your file.

You are responsible for ensuring the personal information in your personnel record is up to date at all times. Promptly notify your supervisor and your Business Administration Director of any changes in your name, telephone number, home address, marital status, number of dependents, beneficiary designations, scholastic achievements such as obtaining a degree, emergency contacts, or any other similar information.

Altering, removing or destroying any personnel records pertaining to any employee, former employee or applicant is prohibited unless otherwise directed by Orchard's record retention or other policies or procedures.

Termination of Employment

We hope that you will remain with us for a long time. However, if you find it necessary to resign your position, we request that you give your supervisor a minimum written notice of two (2) weeks. Exempt employees and non-exempt professional and licensed professional staff nurse are requested to provide four (4) weeks' notice. The reason for your termination should be included within the resignation notice. Failure to give the minimum requested notice makes you ineligible for rehire. Orchard reserves the right to accept an employee's resignation immediately and shall not be obligated to allow the employees to continue to be employed following notice of termination. Orchard is under no obligation to pay the employee for the notice period should the decision be made to accept the resignation immediately, nor pay out the employee's accrued and unused paid time off (PTO) hours.

Employees are expected to work all hours scheduled for the period of the notice and are not permitted to take Paid Time Off (PTO) during this period unless authorized in writing by the employee's immediate supervisor. If this commitment is not fulfilled, it will be considered a voluntary termination without proper notice.

Unless state or local laws provide otherwise, employees who voluntarily terminate their employment and provide the minimum requested resignation notification will receive payment of accrued and unused PTO hours with their final paycheck, up to the maximum PTO payout in accordance with the PTO Payout Table. (Please see "Paid Time Off - PTO" on Page 23.)

To the extent allowable under state and local laws, an employee who fails to give the requested resignation notice is not eligible for payment of accrued and unused PTO hours. To the extent allowable under state and local laws, an employee who is involuntarily terminated for cause (defined as any reason other than voluntary resignation), has not earned and is not eligible for payment of accrued and unused PTO hours.

Return of Company Property

Terminated employees will be responsible for returning any property of Orchard in their possession or that has been assigned to them including, but not limited to, identification badges, uniforms (paid for by Orchard), keys, credit cards, office supplies, equipment, cell phones, laptop/computer, electronic devices and Company documents or materials pertaining to Orchard. Company documents are those relating to Orchard's business, whether originals or copies, whether or not you were the author or recipient, whether maintained in electronic, magnetic or disk format, which are in your possession or control, regardless of whether such documents contain confidential information or trade secrets. Documents related to your personal performance, evaluations, compensation or benefits may be retained by you.

Issuance of the final paycheck may be contingent upon recovery of all Orchard property, to the extent permitted by law. Deductions for the cost of replacement or repair for property lost or damaged while in an employee's possession may be deducted from the final paycheck, to the extent permitted by law. In the event federal, state or local law prohibits deduction from your check, you will be expected to make payment to Orchard for such loss or repair within 30 days to avoid collection efforts.

Return Visits to Community

Employees who have terminated employment (voluntary or involuntary) with Orchard must request written permission from the Executive Director prior to accessing the community for any reason, even if specifically invited by a resident.

Rehire

Former employees who terminated in good standing are eligible for rehire. A former employee who wishes to be considered for rehire must submit an employment application and follow the normal procedures required of any candidate for employment. All former employees will be subject to all pre-employment screenings regardless of how much time has passed and employment will be contingent upon passing those screenings.

COMPENSATION

Employment Classification

The following definitions of employment classifications are provided to help employees understand their employment status and benefit eligibility.

In accordance with federal and state wage and hour laws, each employee is designated as either non-exempt or exempt:

- **Non-exempt** - Employees who are subject to the minimum wage and overtime provisions of the Fair Labor Standards Act. Most are paid on an hourly basis.
- **Exempt** - Employees who are exempt from the overtime provisions of the Fair Labor Standards Act. Most exempt jobs are paid on a salary basis, not on an hourly basis.

In addition to the above classifications, each employee will belong to one other employment category used to determine benefit eligibility:

- **Full Time** - Employees hired to routinely work at least 32 hours per week on a regular basis.
- **Part Time** - Employees hired to routinely work less than 32 hours per week on a regular basis.
- **PRN** - Employees hired to work a minimum number of hours, or as needed, with the understanding of a set rate of pay. PRN employees not utilized for a significant period of time may be terminated from the Orchard system. PRN employees are not subject to receipt of merit pay increases, since these employees have a set rate of pay.
- **Temporary** - Employees, who, regardless of the number of hours worked per week, are hired to fill a specific job for the duration of a special project or group of assignments normally lasting less than six (6) months. Included in this class are those employees who are considered "seasonal" and only available to work at specific times of the year, often dependent upon an academic calendar.

On a regular basis, the Company audits the numbers of hours worked by category based on payroll records to ensure that employees are correctly classified and receive the benefits for which they are eligible. If you consistently work greater or fewer hours than designated for your current category, you will be re-classified.

Full-time employees who reduce their scheduled work hours resulting in a change of employment status to part time or PRN are no longer benefits-eligible. Accrued and unused PTO hours will not be immediately paid out to the employees. The employees with a remaining PTO balance may schedule PTO in accordance with standard PTO guidelines.

In the event of a change in employment classification, your supervisor/director may meet with you to discuss the change in status so you are aware of the date that benefits will be effective, or the date benefit coverage will be terminated and COBRA offered.

Please direct any questions regarding your employment classification or exemption status to your Business Administration Director.

Service Date

Your hire date determines the service date that applies to all paid time off accruals, privileges, or other matters directly related to uninterrupted employment. Eligibility rules also apply to the various benefit plans such as health, dental and vision insurance.

If you are rehired, credit for prior service may be given if the period between termination (last day of actual work) and re-employment is less than six (6) months (182 days). This means you will retain your original date of hire and you will be restored to the same status for the purposes of service date, time-off benefits and certain other benefits in accordance with benefit policies. This does not necessarily mean that you will be rehired at the same rate of pay or the same hours and work time.

Work Hours

Orchard provides services at our communities to our residents 24 hours a day, 365 days a year, therefore you may be required to work weekends, evening or night hours and holidays. The shifts may vary depending on the position and department. In periods of storms, emergencies, and other unusual circumstances, you may be required to remain at the work site if others cannot get to your work site. Your compensation for these periods will be as determined by federal, state, and local law.

Work Schedules

Work schedules are generally posted in advance so that all employees will be aware of their work responsibilities. An employee is subject to corrective action if he or she changes the schedules in any way without prior authorization from his or her supervisor.

Employees may arrange to exchange work schedules with one another, only upon the advance approval of their supervisor. You must complete a **Request for Schedule Change** form at least two weeks before the requested change. Both employees must sign the form authorizing/accepting the exchange and submit to your supervisor for approval. If you have less than two weeks' notice for a schedule change, you must find your own replacement (if for other than illness). At no time should overtime occur as the result of a shift exchange. (Also, see Attendance, Page 29)

Orchard maintains the right to assign employees to shifts and areas within a job classification. Daily and weekly work schedules may be changed from time to time at the discretion of management to meet the varying conditions of our business and staffing needs. Changes in work schedules will be announced as far in advance as possible. No employee of Orchard has exclusive rights to working certain days, shifts or areas.

Time and Attendance - Recording Work Hours

To ensure accurate records are kept of the hours actually worked (including overtime where applicable), all non-exempt employees are required to record their hours of work at the beginning and ending of the work day. You will record time worked using an automated time and attendance system.

Employees may "clock" in up to five (5) minutes prior to the scheduled beginning of a shift, but should not start working until the beginning of their shift. In the event you neglect to "clock" in or out, whether at the beginning of your shift, at the end of the shift, or if you need to leave your shift due to emergency circumstances, you are required to complete a **Missed Punch/Break** adjustment form advising your supervisor to make the necessary

correction. Employees are to follow their scheduled times and are also required to clock out no later than five (5) minutes after scheduled shift end. If you must punch out later than this, you are required to discuss with your supervisor the reason(s) you were unable to leave your shift as scheduled.

If you have questions about the use of the time and attendance system or need to correct any of your time records, please see your supervisor immediately. Errors and/or failure to record time worked, in a proper manner, may result in a delay in the receipt of all or a portion of your pay. Continued failure to record time worked can result in disciplinary action, up to and including termination of employment.

You are expected to be ready to work at the beginning of your scheduled shift. A “clock” in five (5) minutes or more after your scheduled time is considered tardy. If an employee is tardy two (2) times or more per pay period, it will result in a written warning. We realize that upon occasion emergencies may arise which may cause you to be tardy, however consistent tardiness may be cause for additional disciplinary action, up to and including termination of employment.

Altering, falsifying or tampering with your own or another employee's time records or recording another employee's time is a breach of Orchard policy and is grounds for corrective action, up to and including termination of employment.

No one is authorized to require or to allow non-exempt employees to work off the clock. Should an employee be asked to do so, the employee should advise the person requesting such employee work off the clock that doing so violates Orchard policy and immediately contact your Business Administration Director.

Breaks/Meal Periods

Short (15 minutes) paid rest breaks may be provided and scheduled on a regular basis, so as not to interfere with the care of residents or the work of the department, and in accordance with any state law. Supervisors may need to limit the number of employees permitted to take a break at any given time, as well as designate acceptable break area locations, away from your normal place of work. Authorized paid breaks may only last for the specific length of time authorized by your supervisor. Using break time to start work late or to leave work early is prohibited.

Employees who work more than six (6) consecutive hours in a workday will be permitted a 30-minute meal period, unless state law requires meal periods if an employee works fewer hours. Your supervisor will schedule this break as closely as possible to the middle of your shift, in accordance with the workload. This meal period is unpaid and is automatically deducted from your daily hours worked, if applicable. Employees who are required to remain at their workstation or who are required to perform tasks during their meal period are considered working and will be paid. In the event you have an interrupted meal period, you must complete a **Missed Punch/Break** adjustment form advising your supervisor, who will make the necessary correction to your time record.

Generally, you are not restricted to Company premises when taking an unpaid break; however, if you intend to leave the premises, you are requested to inform your supervisor in case an emergency occurs during your absence. In addition, you must clock in/out upon leaving and returning to the community. In consideration of others, employees are to leave

for and return from their break or meal period on time. Abuse of this practice will result in corrective action, up to and including termination of employment.

Overtime Pay

The nature of our business sometimes requires employees to work overtime. If you are classified as a non-exempt employee, you will receive an increased rate of compensation for overtime work. Typically, you will be paid overtime pay for hours worked in excess of 40 hours in any given work week, Sunday through Saturday, unless required by state law for hours worked in excess of a certain number of hours in a given day. Time off with or without pay is not counted as time worked for the calculation of overtime pay. Overtime pay is compensated at time and one-half the regular rate of pay as defined by the Fair Labor Standards Act (FLSA).

Your supervisor will attempt to provide you with reasonable notice when the need for overtime work arises. Please remember, however, that advance notice may not always be possible. Furthermore, a supervisor must always approve overtime before it is performed. An employee who works non-approved overtime must be paid overtime; however, he or she may be subject to corrective action for such non-approved overtime.

Paydays

All employees are paid on a regularly scheduled basis. There are two (2) work weeks or 14 days in each bi-weekly pay period, beginning on the first shift on Sunday and ending on the third shift on Saturday. Payday is the Friday following the end of each pay period. Your paycheck will include earnings for all work performed through the end of the previous payroll period. Payroll advances are not permitted.

Payroll Deductions

All required deductions, such as federal, state, local taxes and Social Security, and all authorized voluntary deductions, such as health insurance contributions, will be withheld automatically from your paychecks. Court-ordered wage assignments must be accepted and honored.

The cost of your employee physical and uniform will be deducted from your paycheck in three (3) installments. After 90 days of employment, the total deduction will be credited back to you through the next payroll. In addition, if any additional training/certifications are offered to an employee (i.e. Certified Medication Training, etc.), the costs of these certifications will also be deducted from your paycheck in three (3) installments. After 90 days of employment the total deduction will be credited back to you through the next payroll.

If you have questions concerning deductions made from your paycheck or how they were calculated, contact your Business Administration Director.

Direct Deposit

Orchard will provide all employees the option to receive payment of wages electronically, where permitted by applicable state law. New employees will be asked to complete the necessary enrollment forms at time of hire. With these pay methods, the employee receives a pay statement each pay period. The statement includes gross earnings, net pay, applicable withholding taxes, benefit deductions and any paid time off

(PTO)/extended sick leave balances, if applicable. All payroll statements are available for employee viewing on www.onpay.com

Employee Referral and Retention Bonus

Our employees are vital resources when it comes to recruiting and retaining great talent. To encourage employment referrals and to assist with retaining our employees, Orchard provides a discretionary bonus to eligible employees (full time and part time only) for referring candidates who are hired by, and remain employed with the Company. Contact the Business Administration Director for additional information regarding this program. **PRN employees do not participate in this program.**

LEAVES OF ABSENCE AND OTHER TIME-OFF BENEFITS

Leave of Absence

We understand there are times when circumstances may require you to request time off from work. An approved leave of absence (LOA) is formal permission to be absent from work for a specific period of time. A leave may be requested for reasons of health, accident, bereavement, military duty, jury duty, emergency circumstances, personal reasons, or any other leave permitted by applicable state or federal law. Federal and state laws mandate certain benefits related to family, jury duty, military and medical leaves.

Personal Leave of Absence

Non-Medical Leave

- You may be eligible for an unpaid personal non-medical leave after you have completed 90 days of employment. Requests for personal LOA should be made by contacting your supervisor and Business Administration Director, if practicable, and whenever possible, in advance of the requested start date of the leave. You may be required to prove the reason for your personal LOA request. Whether or not you receive a requested personal LOA will be based on the circumstances, as well as scheduling and staffing needs of the community. A personal LOA requires management approval and is granted or denied at management's discretion.

Medical Leave

- You may be eligible for an unpaid personal medical leave after you have completed 90 days of employment. Requests for personal medical LOA should be made by contacting your supervisor and Business Administration Director, if practicable, and whenever possible, in advance of the requested start date of the leave. You will be required to substantiate the reason for your personal medical LOA request.

Any available paid time off (PTO) hours must be used prior to receiving an unpaid LOA. A personal LOA for absences that are not covered under any other policy may be granted to an eligible employee for a period not to exceed 30 calendar days.

You must return to work on your first scheduled work day following the expiration of an approved personal LOA and confirm your return to work with your Business Administration Director, unless a properly authorized extension has been granted. Failure to return to work upon expiration of a leave will be considered a voluntary resignation. If you were on LOA due to a personal illness or medical condition, a physician's release to return to work may be required. If you need an accommodation to perform the essential functions of your job, you should advise your supervisor of that need. Orchard is under no obligation to provide the specific accommodation requested by you, but will make every effort to find a reasonable accommodation to your needs. Upon your return from an authorized personal LOA every effort will be made to re-employ you in your former position. However, we cannot guarantee that your position will remain open in your absence, unless required by applicable law depending upon the nature of the LOA. If there is no vacancy, you may be offered another position or different working hours, as required by law or for which you are qualified, if available.

Time off during an unpaid LOA does not count as "time worked" for purposes of eligibility for PTO, holiday and other benefits. Group insurance may continue during an authorized

LOA; however, you must make arrangements with the Business Administration department to pay your employee contribution of applicable premium payments.

These general provisions apply to all leaves. More information is provided below regarding specific types of leaves.

Family and Medical Leave

Orchard will grant eligible employees family and medical leave in accordance with the federal and state, if applicable, Family and Medical Leave Acts (FMLA). FMLA may run concurrently with other types of leave (e.g., workers' compensation leave).

The following information regarding FMLA is general in nature. Posters summarizing the benefits provided under the federal and state laws, if applicable, may be found with the other employment-related postings. In addition, you may contact your Business Administration Director if you have specific questions.

To be eligible under federal law and Orchard's policy, the employee must have been employed by Orchard for at least 12 months and must have worked at least 1,250 hours during the 12 months immediately preceding the start of the leave.

Federal law allows employees to take up to 12 work weeks of leave in a rolling 12-month period for one (1) or more of the following reasons:

- Family leave for the birth of an employee's child or because of the placement of a child with the employee for adoption or foster care;
- Family leave to care for a child, spouse or parent suffering from a serious health condition;
- Medical leave for an employee to care for his or her own serious health condition; or
- Any qualifying hardship arising out of the fact that the spouse, son, daughter, or parent of the employee is on active duty, or has been notified of an impending call to active duty status in the National Guard or Reserves, in support of a contingency operation.

Federal law allows employees to take up to 26 work weeks of leave in a rolling 12-month period for the following reason:

- To care for a covered service member who is the spouse, son, daughter, parent or next of kin (nearest blood relative) of the employee, who is recovering from a serious illness or injury sustained in the line of duty on active duty.

Ask your Business Administrative Director to determine whether your request for leave qualifies under one of the above categories.

Whenever you are eligible for federal and state FMLA leave, you will be provided with the most beneficial provision and you will be required to use both of your leave entitlements simultaneously to the extent permitted by law.

Orchard has the right to ask for a second opinion, at our expense, for the employee's own request for medical leave or for leave to care for a relative's serious health condition. Under such circumstances, Orchard will select the health care provider to supply that second opinion. If necessary, to resolve a conflict between the original medical certification and the second opinion, Orchard may require the opinion of a third health care provider at

its expense. The employee and Orchard will jointly select the third health care provider. By law, the third opinion is binding on all parties.

Generally, an employee needing to take family leave for birth/adoption/foster care placement should notify his or her supervisor at least 30-days in advance of the need.

Whenever possible, employees should attempt to schedule planned medical treatments outside regular work hours so as not to unduly disrupt business operations. Generally, employees should provide at least 30-days notice for planned medical treatments for themselves or family members, and as much notice as possible in emergency or unforeseen situations, or immediately thereafter.

If the employee fails to provide 30-days notice of a foreseeable leave with no reasonable excuse for delay, the leave request may be denied until at least 30 days from the date the Company receives notice.

While on leave, employees are expected to report to the Business Administration Director monthly regarding their status and their intent to return to work. A change in status that would affect your estimated return to work date needs to be reported immediately to your supervisor or the Business Administration Director.

Family and medical leaves are unpaid. However, your group health insurance and other insurance will remain in effect during the approved leave as if you continued working, as long as you continue to pay your employee contributions for applicable insurance premiums. You must make arrangements with the Business Administration Director to pay your portion of applicable premium payments. As appropriate, employees are required to apply paid time off (PTO) during family or medical leaves. Employees on medical leave (for the employee's own serious health condition) may simultaneously be eligible for and receive disability or workers' compensation benefits. In such cases, disability and workers' compensation LOAs will run concurrently with this family and medical leave.

Employees may be required to submit a fitness for duty certification from a physician prior to the employee's return to work, if leave has been taken due to the employee's own serious health condition.

Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. "Key employees" (as defined by FMLA) may be denied restoration to employment.

Additional leave beyond the federal or state leave may be granted at management's discretion in some situations. The additional leave will be considered personal LOA and will not be afforded the same job protection as FMLA.

Military Leave

Leaves of absence for military or reserve duty are granted in accordance with applicable federal, state and local laws. If you need leave for military or reserve duty, contact your Business Administration Director as soon as possible. They will then determine and notify you of, your employment and benefit rights.

Bereavement and Funeral Leave

If you are a full-time or part-time employee and a death occurs in your family, after three (3) months of employment you will be eligible to be compensated for time lost from your regular work schedule in accordance with the following guidelines. Up to three (3) scheduled workdays of leave with pay for full-time eligible employees and one (1) scheduled workday for part-time eligible employees will be granted in the event of the death of a member of your immediate family. Immediate family is defined as an employee's spouse, child, parent, brother, sister, grandparent, grandchild, step-parent, step-child, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, or as defined by local, state, or federal law.

In certain situations, circumstances may cause you to request additional time away from work. In such cases, your supervisor may use discretion and grant additional time off. Such additional time off, when approved, shall be paid with accrued paid time off (PTO) hours if available, otherwise this time off is without pay.

Verification of your family member's death, such as an obituary notice or memorial card, may be required at the time your request for bereavement leave payment is processed.

PRN employees are not entitled to Bereavement and Funeral Leave.

Jury Duty and Court Appearances

We support jury duty as a civic responsibility and encourage all employees to serve when called. Please notify your supervisor, in advance, of any days that you will be absent from work. You must submit to your supervisor a copy of the summons to serve as soon as possible after it is received. You are requested to return to work on any day when jury duty dismisses prior to the end of your scheduled shift. However, employees who serve for more than four (4) hours a day typically will not be required to work that day.

Voting Leave

Employees are encouraged to exercise their right to vote. You are asked to make advance arrangements with your supervisor if you require time off from work to vote. Orchard may specify the hours during which employees may take their time off to vote.

Paid Time Off (PTO)

Because we recognize the importance of time off in providing the opportunity for rest, recreation, and personal activities, Orchard grants paid time off (PTO) to its full-time employees. Eligible employees accrue PTO on a prorated basis for each hour paid up to 80 hours per pay period, excluding overtime. You begin to accrue PTO on your first day of employment and can use your PTO after 90 days of continuous employment. To reward long-term service, the PTO accrual rate increases based on your length of service as of your employment service date.

	Length of Service	PTO Accrual Rate	Number of Hours You May Accrue in 12 months
Full-Time Hourly Employees			
	0 – 12 months	.019230	40 hours
	1 – 5 years	.038462	80 hours
	5+ years	.057692	120 hours
Full-Time Salaried Employees			
	0 – 12 months	.038462	10 Days
	1 – 5 years	.046154	12 Days
	5+ years	.057692	15 Days

PTO should be scheduled in advance, as early as possible, according to department guidelines and needs. Employees are not eligible to take PTO hours that have not been accrued. (Negative PTO balances are not allowed.) To request PTO, the employee must complete and submit the appropriate **Request for Time Off** form. The PTO hours must be approved by the supervisor prior to the employee taking the time off. PTO may be taken as a weekly period or as individual days or hours as long as the periods chosen meet departmental approval. Exempt employees must take PTO in four (4) hour increments. Management reserves the right to deny PTO requests when scheduling does not permit the needs of the business to be met.

All call outs not covered by any other policy will automatically be paid with PTO hours, if available. We require employees to use accrued PTO hours before an unpaid leave of absence request is granted unless otherwise prohibited by law.

PTO pay is paid at your base rate of pay. All employees are paid for PTO time on their regular payday. No advance payments will be made. In addition, cash compensation will not be paid in lieu of taking time off. If you do not use all of your accrued PTO in a calendar year, you may rollover one (1) week (5 days or 40 hours).

When a holiday observed by Orchard falls during a full-time employee's scheduled PTO, the day will be considered holiday time rather than PTO.

Full-time employees who reduce their scheduled work hours, resulting in a change of employment status are no longer benefit-eligible. Accrued and unused PTO hours will not be immediately paid out to the employee. The employee with a remaining PTO balance may schedule PTO in accordance with standard PTO guidelines. Note: Employees who change employment status to PRN will be paid out their accrued and unused PTO (up to the maximum amount established in the PTO Hours Payout Table).

Unless state or local laws provide otherwise, employees who voluntarily terminate their employment and provide the minimum requested resignation notification will receive payment of accrued and unused PTO hours with their final paycheck, up to the maximum PTO payout in accordance with the PTO Payout Table.

PTO Payout Table	
Length of Service	Maximum PTO Payout
Less than 1 year	0 Hours
Greater than 1 year, but less than 2 years	40 Hours
Greater than 2 years, but less than 5 years	80 Hours
5 years or more	120 Hours

To the extent allowable under state and local laws, an employee who fails to give the requested resignation notice is not eligible for payment of accrued and unused PTO hours. To the extent allowable under state and local laws, an employee who is involuntarily terminated for cause (defined as any reason other than voluntary resignation), has not earned and is not eligible for payment of accrued and unused PTO hours.

Holidays and Holiday Pay

Orchard recognizes six (6) paid holidays.

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

Recognized holidays are normally observed on the day in which they occur. In the event a holiday falls on a weekend, employees who routinely conduct business Monday through Friday will observe a Saturday holiday on the preceding Friday or a Sunday holiday on the following Monday.

If you are a full-time employee and your work schedule allows you to take off on the holiday, you will be paid as follows:

- Non-exempt employees will receive holiday pay hours in an amount equal to their normally scheduled workday.
- Exempt employees will receive eight (8) hours of holiday pay.
- Exempt employees who are required to work the holiday will be given an alternate paid day off in lieu of the holiday worked. The alternate day off should be taken within four (4) weeks of the recognized holiday, unless authorized by the employee's supervisor.

To be paid for the holiday, you must work your scheduled hours on both your last regularly scheduled workday before the holiday and your first scheduled workday after the holiday. If a holiday falls during your scheduled paid time off (PTO), you will receive holiday pay and

may use the PTO hours at a later date. Employees on an unpaid leave of absence are not eligible for holiday pay.

If you are a non-exempt full-time employee and scheduled to work the holiday, you will receive regular pay for the hours worked, in addition to 7.5 hours of holiday pay which all staff receive.

Non-exempt part-time employees will receive a pro-rata share (4 hours) of holiday pay for working on the holiday.

PRN staff is not eligible for holiday pay.

Holiday pay will not be considered as hours worked for the purpose of overtime calculation.

BENEFITS INFORMATION

You enrich the lives of those we serve by providing the best possible service and care to the residents who live at Orchard and help to create a purposeFULL life for All in our communities. By nature, those who work in our field often forget to take care of themselves. Orchard wants to help you take care of yourself and your family through our benefits program.

The benefits program acknowledges that each of us has different benefit needs, and offers different choices. Orchard is also focused on the overall wellness of our employees and strives to provide various wellness tools/resources to take advantage of. Better health can enrich your life.

Benefit Eligibility

You are eligible for Orchard's benefit program if you are a full-time employee who is regularly scheduled to work at least 32 hours per week.

As part of Orchard's benefit eligibility, periodic audits (*each quarter*) are conducted of hours worked. If it is determined you are working full-time hours, you will be eligible for benefits the first of the month following the effective date of the status change, provided you have met your initial eligibility waiting period. If you have not met your eligibility waiting period, your benefits will be effective the first of the month following your waiting period from your original date of hire. Equally, if you experience a change in status of working less than full-time hours, your benefits will be terminated. Please refer to the Benefits Resource Guide eligibility chart to determine effective date.

Employee Benefits Resource Guide

Eligible employees will receive information highlighting the benefits for which they are eligible, along with enrollment instructions. Eligibility and terms of each specific element of your benefit package are addressed in the Benefits Resource Guide, which is updated annually. The guide contains highlights of our benefits program and is subject to periodic review and modification. The program itself and each plan are governed by an official plan document. In case of any conflict between the resource guide and an official document the plan document will be the final authority.

For more information, you may contact your Business Administration Director.

EMPLOYEE RESPONSIBILITIES

Guidelines for Appropriate Conduct

As a member of the Orchard team, you have committed to maintain a high degree of integrity, which is at the heart of Orchard's culture. This strong commitment to integrity guides your conduct to accept responsibilities, adhere to business principles, and reflect the highest standard of professionalism at all times.

It is impossible to devise a set of rules that would meet every possible situation that could arise, so no listing can be complete. The list below, therefore, is not all encompassing; it is intended to provide examples of misconduct that are considered inappropriate:

- Neglecting to provide service to a resident; refusing a job assignment.
- Abuse of a resident, including failure to promptly report resident abuse or suspected resident abuse.
- Participating in a resident's finances.
- Participating in any activity designed to restrict or delay the delivery of resident services.
- Failing to maintain confidentiality of residents, employees or other Orchard information, including dissemination of information obtained or used in a formal or informal investigation. (See Workplace Investigations, Page 33)
- Calling residents' families without first consulting with the Resident Care Director or Executive Director; distributing your personal cell phone numbers to residents and/or families.
- Soliciting or accepting loans, tips, gifts or donations from residents, visitors or co-workers.
- Dishonesty, including but not limited to falsification of your employment application, omitting care information from a resident's chart, falsifying medication information or other Orchard records.
- Theft of any kind. This includes theft from residents, the community or co-workers, or unauthorized use of community property.
- Failure to record work time appropriately, including leaving Community without clocking out.
- Recording another employee's time falsely or permitting another employee to record your time falsely.
- Leaving work without permission before the end of your shift.
- Failure to timely renew or maintain certification for licensure if required by law or job description.
- Violating the Discrimination and Unlawful Harassment policy.
- Exhibiting a pattern of absenteeism or tardiness (consistent violation of Time and Attendance responsibilities).
- Being absent without notification to your supervisor (No Call/No Show).
- Fighting while working and/or on Orchard premises.
- Using obscene, abusive or threatening language or gestures in the presence of residents, staff or visitors and/or toward residents, fellow employees, supervisors or management.
- Engaging in rumor mongering, or spreading gossip that is known or should be known to be untrue about residents, visitors or co-workers.
- Engaging in excessive, unnecessary or unauthorized use of Orchard equipment or

- supplies, particularly for personal purposes. Destruction of Company property.
- Reporting to work intoxicated or under the influence of alcohol or non-prescribed drugs.
 - Bringing or using alcoholic beverages on Orchard property or using alcoholic beverages while engaged in Company business on/off Company premises, except where authorized.
 - Bringing or using illegal or non-prescribed drugs (other than over-the-counter medications) on Orchard property or using illegal or non-prescribed drugs (other than over-the-counter medications) while engaged in Company business off Company premises.
 - Engaging in illegal, indecent, disorderly or immoral behavior on Company business or Company premises or at a Company function. Illegal acts are understood to be those equivalent to being convicted of an offense more serious than a speeding ticket.
 - Illegally manufacturing, possessing, using, selling, distributing or transporting drugs.
 - Having firearms or other dangerous or deadly weapons on Orchard premises or off premises in the performance of job duties.
 - Disregarding safety or security regulations.
 - Failing to promptly report any job-related accident or injury.
 - Possessing and operating a camera, cell phone camera or other photographic, video or tape recording equipment on Orchard premises, without prior management approval.
 - Watching television, loitering, sleeping or appearing to sleep in common areas while on the job during working time or paid break periods, or at any time.
 - Smoking or use of tobacco products at an unauthorized time or in an unauthorized location.
 - Refusing to obey the direct reasonable request of a supervisor, or showing disrespect to your supervisor (insubordination).
 - Failing or refusing to participate as a team member.
 - Failure to attend mandatory meetings or training sessions.
 - Making or accepting excessive personal phone calls during work; use of cell phone during work; use of resident's personal phones; or use of the community phone to make long distance phone calls.
 - Inappropriate dress – failure to adhere to Orchard's dress code (uniform and nametag at all times).
 - Violating any Orchard policies, procedures, rules or guidelines including, but not limited to, those described in this Handbook.

If your performance, work habits, overall attitude, conduct and/or demeanor become unsatisfactory in the judgment of management, based on violations either of the above or of any other Orchard policies, procedures, job descriptions, rules or regulations, you will be subject to corrective action, up to and including termination of employment.

Attendance

Orchard is committed to providing the highest level of care and service to our residents. We depend on regular attendance by all employees. When an employee is absent, others must perform his/her work in addition to their own work. Attendance is an important part of each employee's job responsibility. No matter how skilled an employee, if they do not have a good attendance record, they cannot make a full contribution to the

Community. ***All employees are expected to know their assigned days and shifts.***

Orchard realizes that some circumstances beyond an employee's control may cause the employee to be absent from work for all or part of a day. It is our expectation that you will address those occasions in such a way as to minimize the disruption of your work or the work of others. Employees with unacceptable attendance records, including excessive absence, tardiness or leaving early, will be counseled and will be subject to corrective action. If the employee's attendance does not improve within a reasonable, designated period of time following the corrective action, the employment relationship may be terminated.

The following attendance guidelines have been established:

1. All employees are expected to report to work, on time, as scheduled.
2. Employees who must be absent for personal reasons or medical appointments are requested to schedule those appointments outside work hours whenever possible.
3. Employees must obtain authorization from the supervisor for all of the following situations:
 - Missing work
 - Reporting to work late
 - Leaving work early
 - Working any overtime
 - Requesting time off
4. If an employee is unable to report to work for any reason, the employee is expected to notify his or her supervisor, at least **four (4) hours** prior to the start of his or her shift. The employee must personally speak to a supervisor, or to the supervisor's designee. Voicemail messages, text messages or messages left with a co-worker are not acceptable.
5. When calling off, the employee is expected to give the reason and the estimated length of absence.
6. Employees must maintain daily contact for each day of absence, unless a doctor's certificate has been provided covering a specified period of absence.
7. The supervisor has the authority to determine if the employee has presented an acceptable reason for his or her missed work. If the supervisor does not excuse an employee's request to be absent, the employee is expected to report to work.
8. When absent from a shift an employee may be required to assist in finding a temporary replacement.
9. If an employee is absent due to personal illness/injury, a medical release to return to work from the employee's physician may be required before he or she may return to work.
10. All call-outs not covered by any other policy will automatically be paid with earned paid time off (PTO), if available. The payment of benefit hours does not indicate approval of an absence.
11. Corrective action, up to and including termination of employment generally will be used to address unacceptable attendance. Employees who are terminated due to unacceptable attendance will not be considered eligible for rehire and will not be eligible for unemployment benefits.

Attendance problems may include situations such as:

- Unexcused absence - *Two (2) call outs within a 90-day period will result in a written warning. A third call out within the same 90-day period will result in*

termination of employment with Orchard.

- Leaving work without authorization ("job abandonment").
- Excessive absences, including leaving work early for any reason.
- Excessive tardiness, including a pattern of tardiness that occurs on certain days of the week.
- Patterns of absences immediately before or after scheduled days off, such as weekends and holidays.
- No call/no show - one (1) occurrence of a no call/no show is cause for immediate termination of employment.

Excused absences due to any of the following conditions will follow applicable policy and procedure and will not subject the employee to corrective action:

- PTO and holiday time requested, approved and scheduled in advance.
- Absence because of work-related injury or illness.
- Federal and/or state protected family and medical leave of absence.
- Jury duty/military leave/bereavement and funeral leave.

Personal Appearance

Our promise at Orchard is to serve our seniors, creating a purposeFULL life for them while providing the very best service and care possible. Our manner of dress, grooming and personal cleanliness is representative of us and Orchard when we are in contact with residents, family members, guests and co-workers. Although we understand that standards of acceptable or suitable professional attire are subject to change, these are the guidelines:

- Employees are expected to demonstrate good taste and judgment in wearing clothing appropriate for the workplace.
- Tight-fitting, low cut or otherwise revealing clothes are neither appropriate nor acceptable.
- Denim jeans are not appropriate, unless a specific task or special event warrants such. On some occasions at management's discretion a relaxed dress code may be adopted for a designated "casual dress" day.
- Employees must dress according to the requirements of the job. Some job classifications wear uniforms or specialized clothing that provide a standardized appearance. Employees will be advised of the appropriate dress for their job classification.
- All employees will be issued a name tag that **MUST** be worn while working.
- Hairnets or caps must be worn while preparing food.
- Employees who are in uniform are generally required to wear closed-toe/closed-heel shoes.
- Uniforms should always be clean, presentable and in good shape.
- Neatness, cleanliness and good personal hygiene are important. Heavily scented perfumes, aftershave and/or cologne are prohibited. Strong odor of cigarette smoke on body or clothing is also prohibited. Hair and nails should be clean and groomed. Nail length should not be so long as to interfere with work duties.
- Nail and hair color should be business professional as defined by Orchard.
- For the safety of our employees and residents, dangling earrings, bracelets, rings, etc., or excessive jewelry are prohibited. Visible body piercing, such as nose, lip and tongue, may be prohibited if management deems it unsafe and/or unprofessional.

Where employee and/or resident safety may be an issue, management reserves the right to expand these guidelines to include personal appearance issues not identified in this section.

Orchard will make reasonable accommodations for dress or grooming directly related to an employee's religion, ethnicity, mental or physical handicap or disability. Consult your supervisor if you have questions as to what constitutes appropriate attire. Employees who report to work and are not properly dressed or groomed will be asked to leave and return to work when appropriately dressed. Under such circumstances, employees generally will not be compensated for the time away from work.

Confidentiality of Information

It is our policy to ensure that the operations, activities and affairs of Orchard and our residents/clients are kept confidential to the greatest possible extent. If, during their employment, employees acquire confidential or proprietary information about Orchard or its residents/clients, such information is to be handled in strict confidence and not to be discussed with outsiders. Employees are also responsible for the internal security of such information. Make sure you have a confidential place if you need to discuss care issues with a resident, a family member or other employees. Never discuss resident concerns in the hallways or common areas. Also, information regarding internal investigations is considered confidential and should not be discussed with anyone not directly involved in collecting information regarding the ongoing investigation, unless you have reason to discuss the information with your personal attorney or other legal representative.

The unauthorized use or disclosure of confidential information may subject you to corrective action, up to and including termination of employment.

Telephone Calls

Employees are not to take or place personal telephone calls while working, unless they have management's approval or it is an emergency. At no time should employees use, or ask to use, residents' telephones for personal use. The use of personal cellular phones, pagers or other electronic devices during working time and in work areas is prohibited, except in emergency circumstances; this includes using the telephone for text messaging. The use of cell phones or cameras to produce electronic images (photographs) and the use of tape recording/listening devices are strictly prohibited to ensure the privacy of our residents, visitors and employees. Abuse of these guidelines will result in corrective action, up to and including termination of employment.

Travel and Business Expense

Orchard will reimburse employees for all actual and reasonable business expenses (e.g., parking fees, meals, reasonable gratuities, and other out-of-pocket expenses) incurred in the performance of their job duties or other assigned responsibilities relating to appropriate Company operations. All business-related purchases (non-travel) over \$50.00 should be approved by the employee's supervisor prior to the expense being incurred.

Employees should always use the most economical means of travel available. If personal transportation is used, employees will be reimbursed for mileage at the current rate set by Orchard.

A properly completed and approved **Employee Reimbursement Expense** form, together with original receipts, is required for reporting expenses applicable to company-related travel and business expenses. Prior to reimbursement processing, each expense report must be signed by the individual incurring the expenses and his or her supervisor indicating approval.

Outside Employment

An employee may hold a job with another company or organization as long as he or she satisfactorily performs his or her job responsibilities and the job is not a conflict of interest with Orchard. All employees will be judged by the same performance standards and will be subject to Orchard scheduling demands, regardless of any existing outside work requirements.

If the outside employment presents a conflict of interest resulting in an adverse impact on Orchard, or if management determines that an employees' outside work interferes with performance or the ability to meet the requirements of Orchard, the **employee** may be asked to terminate the outside employment if he or she wishes to remain in our service.

Orchard does not have any obligation to schedule an employees' work time so the employee may work at another job. Employees may request that such accommodation be extended to them for this purpose, but supervisors are not required to grant such an accommodation.

Workplace Investigations

From time to time, it may be necessary for Orchard to conduct an internal investigation. Each employee must cooperate fully and be completely honest if asked to participate in such an investigation. Corrective action, up to and including termination of employment, will result if an employee fails to cooperate or if an employee should inappropriately breach the confidentiality of the investigation. Orchard strictly prohibits any form of retaliation against any employee for filing a good faith complaint concerning discrimination, including unlawful harassment, or for assisting in a complaint investigation. Any employee who believes he or she has been subjected to retaliation should immediately report the retaliation to his or her supervisor or department manager, any other supervisor or manager, or to the Business Administration Director.

You may be asked to keep information shared in an investigation in confidence, i.e., you will not be allowed to discuss the details about any questioning that occurs. If so, an explanation will be provided as to the reason for the confidentiality. In most instances the request for confidentiality will be based upon a need to keep a resident or residents' protected health information confidential. Confidentiality may also be necessary in the event criminal activity is suspected. Orchard will not restrict your rights to discuss terms and conditions of employment.

INFORMATION TECHNOLOGY SECURITY

Information Technology (IT) Policies

IT security policies are documented business rules designed to ensure that while using electronic media, Orchard, through its employees, conducts itself in compliance with all applicable laws and to the highest standards of professionalism and discretion. All employees have a responsibility to uphold these policies. Below are summaries of the most frequently referenced IT security policies.

Company Property and Business Usage of Systems

Employees are given access to the Internet, email and voicemail systems to assist them in performing their jobs. All electronic and telephonic communication systems and all communications and information transmitted by, received from, or stored in these systems are the property of Orchard and should be used primarily for job-related purposes. All computer hardware and software must be obtained through documented IT procedures. Prohibited activities include, but are not limited to:

- Sending, receiving, displaying, printing or otherwise disseminating via the Internet, email or voicemail systems, material that is fraudulent, harassing, disparaging towards other races, national origin, sex, religion, age, mental or physical handicap or disability, sexual orientation, citizenship or other legally protected status, illegal, sexually explicit, obscene, intimidating or defamatory. This includes offensive messages, jokes or cartoons, propositions or love letters, ethnic or racial slurs or any other harassing or disparaging messages. (Employees should follow the Discrimination and Harassment Complaint procedure outlined in this Handbook upon encountering such material.)
- Accessing, posting or downloading sexually oriented or pornographic information.
- Posting confidential, sensitive or proprietary information on the Internet.
- Using Orchard Internet resources and email systems for commercial or personal advertisements, promotions, destructive programs (e.g., viruses and/or self-replicating codes) or political campaign materials.
- Downloading, copying or distributing copyrighted materials, unless a copyright notice appears giving permission for dissemination or other permission is obtained from the copyright holder. Many materials on the Internet are protected by copyright. Copying or disseminating those materials in violation of the copyright may subject the employee and Orchard to liability.

Use of Passwords and Security Codes

Employees are not permitted to use a password, pass code, access a file or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized Orchard representative. All security codes are the property of Orchard. No employee may use a password or pass code that has not been issued to that employee (i.e., sharing passwords). Sharing passwords may subject employees to corrective action, up to and including termination of employment.

Monitoring and Waiver of Privacy

To ensure that the use of Orchard systems and business equipment is consistent with legitimate business interests, authorized representatives of Orchard have the right, but not the duty, to monitor employee computer usage. This includes but is not limited to monitoring the sites employees visit on the Internet, reviewing email sent and received by

employees and reviewing material downloaded or uploaded by employees, at any time and without prior notification. Employees should have no expectation of privacy while using Orchard systems and business equipment.

Personally Owned Computer Equipment

Employees must not connect their own personal electronic devices (including cellular phones), computers or computer peripherals with Orchard computer or communications equipment, or install personally owned software without prior authorization from management.

Enforcement

As a condition of employment and continued employment, employees are required to sign a form acknowledging the employee's understanding of the IT security policies. Employees who violate these policies may be subject to corrective action, up to and including termination of employment and/or civil or criminal legal proceedings. Management may also use its discretion, notify law enforcement, regulatory, accreditation and licensure organizations as it sees fit.

Social Networking and Blogging

Online social networking and blogging activities of employees are subject to all Orchard policies and procedures, including for example, policies with regard to protecting the identity and confidentiality of residents, protected health care information, proprietary Company information, our policies prohibiting discrimination and harassment, policies regarding violence in the workplace, and policies governing the use of the Company's computer and technology resources. Postings of any intentionally misleading or dishonest, disparaging, potentially harmful, violent, or discriminatory comments or remarks that have a direct negative impact on the personal lives of our residents, other employees, vendors, third party contractors, and Orchard is not acceptable behavior and may subject the person posting such remarks to disciplinary action up to and including termination of employment.

Orchard employees are prohibited from creating pages or postings that have the appearance of being Orchard-sponsored, or for, or on behalf of any Orchard community or entity on the Internet without prior submission to and written approval of senior management. This prohibition includes the use of the Company or community name, logo or other identifying references. This prohibition does not include the employee's or employee's free expression of the terms and conditions of work. Employees are reminded that any posting on the Internet may be the subject of electronic discovery and may be monitored by Orchard management.

CORRECTIVE ACTION PROCEDURES

Corrective Action

Corrective action is a process to help ensure satisfactory job performance and to encourage employees to correct unacceptable work behaviors. Keys to effectively improving performance include coaching, training and, at times, discipline.

Orchard uses a progressive (four-step) Coaching and Counseling process to deal with most problems that detract from a productive, mutually beneficial employment relationship with each member of the organization. The Coaching and Counseling process addresses your overall performance; therefore, written reminders address related or unrelated issues with your performance.

The four steps of corrective action:

1. **Verbal Reminder:** The supervisor/director will identify those areas of performance that do not meet expectations and Company needs. He or she will conduct an informal (or formal) meeting with you to discuss each area of unacceptable performance and the actions required for satisfactory performance.

The supervisor/director will record the date of this meeting and write a brief summary. This record will be considered the first written documentation and will be placed in your file.

2. **Written Reminder:** If your performance has not significantly improved, or if the situation warrants immediate implementation of this step, the supervisor/director will prepare a document reminding you of the first verbal counseling and the date, and identifying again those areas requiring corrective action or new areas requiring corrective action.
3. **Final Reminder:** If you do not demonstrate significant improvement in the areas discussed in the second step, or if the situation warrants immediate implementation of this step, you will be called to a conference with the supervisor/director, and the Business Administration Director and/or another Company representative. The lack of progress since the second step will be reviewed in detail and you will be given a written reminder that you must immediately correct the area or areas of unacceptable performance.

The final reminder is given to provide you the opportunity to consider whether you want to continue employment with Orchard.

During each counseling session you will be asked to sign a Coaching and Counseling reminder and will be given a copy. Your signature indicates only that you have read and received a copy of the reminder, not that you agree or disagree with its contents. You always have the right to add written comments prior to signing the document.

4. **Termination of Employment:** If the problem has not been corrected or if the situation warrants moving immediately to this step, the final action is termination of employment.

All decisions to terminate employment require the approval of the appropriate manager and following a review by the Business Administration Director.

You may address any questions or concerns involving the process to the supervisor/director, his or her manager or to the Business Administration Director. If you need any further contact with Orchard after termination, you should direct that communication to your Business Administration Director (HR representative).

Note: This section has been included as a guide for you and supervisory personnel. It is not intended as a contractual undertaking, but rather Orchard's general philosophy on corrective action and termination. Nothing stated in this Handbook should be construed as requiring that corrective action or termination be based only on "cause," or as otherwise limiting the "at-will" employment relationship between Orchard and its employees. **We may bypass one or more written reminders in the established performance improvement process or in some instances conclude that immediate termination of your employment is in the best interest of the Company.**

Suspensions may be given under certain circumstances, including, but not limited to, pending drug tests and investigations, and may be with or without pay depending upon the circumstances.

You will be provided with a copy of the Coaching and Counseling form. Documentation of any corrective action/progressive discipline will become part of your personnel record. If you feel you have been disciplined in violation of Orchard's policy, you are encouraged to follow our problem resolution procedure.

Problem Resolution

Orchard's policies, procedures and guidelines are intended to provide an open, constructive working relationship among all employees. However, occasionally an employee may have questions or concerns about working conditions, a supervisor or another employee.

Generally, if an employee has a problem with or concern about another individual, we encourage him or her to approach that person first and attempt to resolve the conflict informally. If that does not resolve the problem, the employee should go to his or her immediate supervisor. If, however, you think it would not be appropriate to discuss the problem with your supervisor or if you believe you would be penalized for filing a complaint, you may also initially contact the Business Administration Director (HR Representative).

Orchard's problem resolution procedure is intended to help resolve such questions and provide a means to act on your ideas or suggestions for improved ways of doing things.

Orchard has also implemented a dedicated **Communication & Candor Line** for its employees to communicate suggestions, questions and/or concerns. The employee may choose to remain anonymous, if desired.

A formal employee complaint process is available when all reasonable efforts to resolve employment problems informally have been exhausted. In support of our open-door

philosophy, no employee will be disciplined, either formally or informally, for voicing disagreement with the Company in a reasonable, business-like manner, or for utilizing the problem resolution procedure.

To facilitate open communications and problem resolution, a problem resolution procedure has been established; it is open to all employees, including those who have been terminated. During the course of an investigation, as part of this process employees may not be represented, assisted or accompanied by others. The issue or problem should be raised in writing and should include information regarding the action that is subject to the complaint, the date of the action, and a statement of the remedy sought. Employees must sign and date the written complaint. To better ensure timely resolution, the issue should be raised within ten (10) days of its occurrence. The problem resolution procedure generally consists of the following steps:

Step 1 –

The employee presents the problem to his or her immediate supervisor or manager. (If the supervisor is personally involved, or if the issue is discrimination and/or harassment-related, the employee may elect to immediately go to Step 2.). In cases of termination, submit this written complaint to the Human Resources representative, your Business Administration Director. The supervisor will seek to arrange a timely meeting to personally discuss the issue with the employee. The supervisor will provide a timely response to the complaint (preferably within five (5) calendar days of receiving the written complaint).

Step 2 - If the problem is unresolved by the supervisor, the employee may appeal the complaint to the Executive Director or Business Administration Director (HR representative) or department head within ten (10) days of receiving the supervisor's response. Within ten (10) days after receiving the written appeal, the Executive Director or person designated to act on the Executive Director's behalf, will speak with the employee to discuss the complaint. Within ten (10) working days after this meeting, the employee will be notified in writing of management's decision.

Step 3 - The employee may present the problem in writing to the appropriate executive level through the chain of command. Following a thorough review of the issue, that executive will inform the employee of his or her decision in writing, preferably within ten (10) calendar days. The decision of the executive will be final.

If you feel you have been discriminated against or harassed because of race, color, religion, sex, marital status, age, national origin, disability, veteran status, or any other characteristic protected by law, you are entitled to immediately file a complaint with the Executive Director or Business Administration Director. The complaint should be in writing and filed within five (5) working days of the discriminatory action, or at any time during the continuance of the discrimination or within five (5) working days after the discrimination has ceased. The Executive Director or Business Administration Director shall speak with you within five (5) working days after receipt of the complaint. A final decision shall be made in writing and delivered to you within five (5) working days after your meeting with the Executive Director and Business Administration Director.

Resolving Disputes

Although we hope that employment disputes between Orchard and our employees will not occur, we believe that when these disputes do arise, all parties want to handle them promptly and with a minimum amount of disturbance to our business and our employees' lives. Accordingly, we have instilled a mandatory binding arbitration procedure for all employees. Arbitration is using an outside neutral party to decide the dispute after hearing from both parties. Binding arbitration is final. Today, most federal and state courts support employer-imposed arbitration systems if they are fair to all participants. The notion of fairness includes accurate and timely notice, ability to retain counsel, secure adequate discovery, receive a reasonable award and maintain the right to secure the same forms of relief available to those in litigation. Binding arbitration is a condition of employment at Orchard. You will be required to sign a separate **Binding Arbitration Agreement in order to remain employed at Orchard. Your failure or refusal to do so will result in your immediate termination of employment.**

Under Orchard's Binding Arbitration Procedure ("Procedure"), if certain disputes arise from your employment with Orchard or the termination of your employment with Orchard, you agree to first attempt to resolve the dispute internally through management channels. If internal channels fail, you agree to submit the dispute for resolution by Mandatory Binding Arbitration. In agreeing to the Procedure, you acknowledge that your agreement is given in exchange for rights to which you are not otherwise entitled, namely, your employment as an Orchard employee. In return you gain access to a prompt and efficient resolution process for employment disputes. As consideration for and in exchange for your agreement, Orchard likewise agrees to use arbitration as the exclusive forum for resolving employment disputes covered by this Procedure. Neither you nor Orchard will be entitled to a bench or jury trial on any claim covered by arbitration. The arbitrator will determine any remedies, as well as any costs to be paid and by whom.

By accepting Orchard's offer of employment or accepting continued employment, both you and Orchard are agreeing to the terms of the Procedure. By agreeing to the terms in the Procedure, you and Orchard are both giving up any constitutional or statutory right to have covered claims decided in a court of law before a judge or a jury. The terms of the Procedure also apply to any claims that may be brought by your spouse, children, beneficiaries, representatives, executors, administrators, guardians, heirs or assigns. **Binding arbitration will be the sole and exclusive remedy for resolving any such claim or dispute not specifically excluded herein.**

Orchard's Binding Arbitration Procedure

As a condition of your employment at Orchard, you agree to submit any controversy or claim arising out of or relating to your employment relationship with Orchard, or the termination of that relationship, for final and binding resolution by a private and impartial arbitrator, to be jointly selected by you and Orchard.

Claims Covered:

- Any dispute concerning whether or not the controversy or claim is subject to arbitration; and
- Includes, but is not limited to, any claim that could be asserted in court or claims for which you have an alleged cause of action, including without limitation claims for breach of any contract or covenant (express or implied); tort claims; claims for discrimination (including but not limited to discrimination based on sex, pregnancy,

race, national or ethnic origin, age, religion, creed, marital status, mental or physical disability, or medical condition or other characteristics protected by statute); claims for wrongful discharge; violations of the Family and Medical Leave Act (FMLA); violations of confidentiality or breaches of trade secrets; and/or claims for violation of any federal, state, or other governmental law, statute, regulation, or ordinance, and whether based on statute or common law; and

- All claims, whether made against Orchard, any of its parent, subsidiary, or affiliated entities, or its individual officers or directors (in an official or personal capacity).
- Note: You must first exhaust all administrative remedies prior to institution of the Binding Arbitration Procedure, if any.

Claims Not Covered:

- A claim for workers' compensation benefits;
- A claim for unemployment compensation benefits;
- A claim under the National Labor Relations Act (NLRA), as amended;
- A claim before the Equal Employment Opportunity Commission (or agency with concurrent jurisdiction);
- A claim by Orchard for injunctive or other equitable relief, including without limitation claims for unfair competition and the use or unauthorized disclosure of trade secrets or confidential information, for which Orchard may seek and obtain relief from a court of competent jurisdiction; and
- A claim based upon Orchard employee benefits and/or welfare plans (current, successor, or future) when the plan contains an appeal procedure or other procedure for the resolution of disputes.

Internal Efforts: As a prerequisite for submitting an employment dispute to binding arbitration, both you and Orchard agree to make good faith efforts at resolving any dispute internally on an informal basis through Orchard management channels appropriate to that particular dispute. Please refer to the grievance procedures in the "Problem Resolution" section of this Handbook. You may submit an employment dispute to final and binding arbitration under the terms of the Procedure only after internal efforts fail.

Binding Arbitration: If a covered dispute remains unresolved after completing internal grievance procedures, either party may submit the dispute for resolution by final binding confidential arbitration. The arbitration will be conducted on a confidential basis under the American Arbitration Association's Employment Dispute Resolution Rules ("AAA Rules"). These AAA Rules, incorporated by reference into this Procedure, include (but are not limited to) procedures for the joint selection of an impartial arbitrator and for the hearing of evidence before the arbitrator. The arbitrator shall have the authority to allow for appropriate discovery and exchange of information before a hearing, including (but not limited to) production of documents, information requests, depositions, and subpoenas. You may get a copy of the complete AAA Employment Dispute Resolution Rules from your community's Business Administration Director.

Rules Conflict: Any conflict between the AAA Rules and this Procedure shall be resolved in favor of this Procedure.

Burden of Proof: The burden of proof at an arbitration shall at all times be on the party seeking relief.

Governing Law: In reaching a decision, the arbitrator shall apply the governing substantive law applicable to the claims, causes of action, and defenses asserted by the parties as applicable in the jurisdiction in which the employee is employed. The arbitrator shall have the power to award all remedies that could be awarded by a court or administrative agency in accordance with the governing and applicable substantive law, including, without limitation, Title VII, the Age Discrimination in Employment Act, the Family and Medical Leave Act, the Americans with Disabilities' Act and all other applicable civil rights and employment laws of the jurisdiction for the community wherein the employee is employed.

Time Limits and Procedures: The aggrieved party must give written notice of any claim to the other party as soon as possible after the aggrieved first knew, or should have known, of the facts giving rise to the claim. The written notice shall describe the nature of all claims asserted and the facts upon which those claims are based, and shall be mailed to the other party by certified or registered mail, return receipt requested. Any such notice mailed to Orchard shall be addressed to the Executive Director at the community.

Location and Timeframe: Any arbitration conducted under this Procedure shall take place in the city wherein the employee is employed unless an alternative location is chosen by the mutual agreement of the parties. The arbitrator shall render a decision and award within 30 days after the close of the arbitration hearing or at any later time on which the parties agree. The award shall be in writing and signed and dated by the arbitrator and shall contain express findings of fact and the basis for the award.

Fees: The parties agree to share equally the AAA administrative fees and the arbitrator's fees and expenses, except as may be otherwise provided by statute, rule, regulation, decision of a court of competent jurisdiction, or decision of the arbitrator. All other costs and expenses associated with the arbitration, including, without limitation, the parties' respective attorneys' fees, shall be borne by the party incurring the expense, unless provided otherwise by statute, rule, regulation, decision of a court of competent jurisdiction, or decision of the arbitrator.

Judgment: Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The award may be vacated or modified only on the grounds specified in the Federal Arbitration Act or other applicable law.

No Retaliation: Under no circumstances will an employee be retaliated against in any way for invoking the Procedure in good faith. Orchard managers who engage in such retaliation are subject to discipline under the appropriate Orchard disciplinary procedures.

Employment At-Will: The Binding Arbitration Procedure does not in any way alter the at-will employment status of Orchard employees. Orchard and its employees are always free to terminate the employment relationship at any time for any lawful reason, and employment is not for any specific or definite duration.

This Procedure sets forth the complete agreement of the parties on the subject of mediation and arbitration of the covered claims, and supersedes any prior or contemporaneous oral or written understanding on these subjects.

If you were working for Orchard prior to the institution of this Binding Arbitration Procedure,

you will be asked to sign a separate agreement acknowledging you agree to be bound by the provisions set forth herein. If you refuse to sign, and you come to work for your next scheduled shift your continued work with Orchard shall be deemed to be an acceptance by you of the terms of the separate binding arbitration agreement and you agree to be bound thereby. **Acceptance of the Binding Arbitration Procedure is a condition of employment at Orchard.**

HEALTH AND SAFETY

General Safety Rules

Orchard is committed to providing a safe and healthful working environment. Our Company makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, technologies and programs conducive to such an environment.

Our “**Safety Saves**” program aims to minimize the exposure of our employees, residents and visitors to health or safety risks. All employees are expected to work diligently to maintain safe and healthful working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses. Employees who have suggestions to improve our safety practices are encouraged to share their ideas with the community Safety Committee.

It is each employee's safety responsibility to:

1. Attend OSHA safety education and training programs provided at the community.
2. Exercise maximum care, including use of proper body mechanics, and good judgment at all time to prevent accidents and injuries.
3. Immediately report all work-related accidents/incidents to their supervisor or person in charge.
4. Report and seek first aid for all injuries, regardless of how minor.
5. Know the fire and disaster plan, the locations of fire alarms and fire extinguishers and how to properly use them.
6. Maintain clean work areas free from debris.
7. Store all equipment and supplies in their proper places.
8. Report unsafe conditions, equipment or practices to their supervisor.
9. Properly use safety equipment provided by Orchard.
10. Ensure equipment is kept clean and in good repair.
11. Implement the "lock out/tag out" system for defective, broken or malfunctioning equipment and advising others when the equipment should not be used.
12. Wear appropriate clothing and shoes for the job.
13. Adhere to proper infection control practices. Following universal precautions. Wearing appropriate personal protective equipment and/or attire when situations call for it.
14. Report to work in a condition fit for duty. Employees will not report to work under the influence of non-prescribed drugs or alcoholic beverages. You must notify your supervisor, before the beginning of the workday, of any prescription medication you are taking that may cause drowsiness or other side effects.
15. Maintain cardiopulmonary resuscitation (CPR) certification, as may be required by job position and/or state requirement.

These rules do not cover all possible safety issues. When it comes to safety, your attention and good common sense are required. Failure to follow the above procedures may subject you to corrective action, which may include termination of employment.

Physical Examinations

You must be physically able to perform the essential functions of the accommodation. We reserve the right to require medical documentation at any time during your employment if there is a question regarding your ability to perform the essential functions of your job.

Orchard is not responsible for examinations, etc., required in conjunction with returns from leaves of absence or for personal illnesses or injuries. All medical information pertaining to an employee will be kept in a separate, confidential file that is secured.

Tuberculosis Testing

All new employees including temporary staff and volunteers who come in contact with residents must be screened for tuberculosis (TB). TB screening may be conducted on a continuing basis throughout your employment according to Orchard standards or state requirements. It is the responsibility of the employee or volunteer with positive TB disease to notify management of his or her condition.

Hazard Communication Program

The purpose of the Hazard Communication program is to inform employees about the material they handle and the specific hazards possibly associated with those materials, to provide training in the proper and safe handling and labeling of those materials. Material Safety Data Sheets (MSDS) are special sheets that summarize all pertinent information about a specific chemical. Work areas where hazardous chemicals are used will have copies of the applicable MSDS forms readily available to all employees. Employees will review the MSDS prior to using any chemical and should be familiar with the location of the MSDS binder in their work location.

Bloodborne Disease Control

All employees whose job duties may bring them in contact with blood or other potentially infectious materials will receive bloodborne pathogen training including the established first aid procedure and the proper disposal of bio-hazardous materials, sharps or other potentially contaminated or infectious waste. Personal Protective Equipment (PPE) and special biohazard clean-up kits are provided to protect employees when giving first aid and cleaning up blood or body fluid spills.

Hepatitis B, Influenza and Other Vaccination

The Hepatitis B vaccination (HBV) shall be offered to all employees who have potential occupational exposure to blood/body fluids. If you are at risk, you will become eligible for the HBV after you have received the Occupational Safety and Health Administration (OSHA) mandated bloodborne disease training and within ten (10) working days of your initial job assignment. If you decline the HBV offer, you may be required to sign a waiver indicating your refusal. Orchard will comply with such job description for which you were hired.

Infection Control

Our communities are extremely concerned about the spread of communicable diseases. You must use universal precautions whenever handling blood or other potentially infectious materials. Hand-washing is regarded as the single most important means of preventing the spread of infections. You must wash your hands often, following the established hand-washing procedure.

Employees who have any communicable disease or illness must report this fact to management. This includes, but is not limited to, infections, open sores and excessive sneezing. Employees who have contact with residents may be referred to their physicians for diagnosis and treatment for the protection and health of everyone in the community. The employee will be permitted to return to work when a physician's release indicates

there is no longer a threat of infecting others. An independent medical evaluation in connection with a communicable disease or infection may be required at the discretion of management and at Orchard's expense. If you have traveled outside of the United States, you must report your destination to determine if you should be tested for any communicable diseases prevalent to the area or country to which you traveled. You may be required to submit to a medical evaluation and will not be allowed to return to work without a physician's certification that you do not carry a communicable disease. Refusal to submit to such testing will be deemed to be a voluntary resignation and you will be terminated from employment.

Fire and Disaster Plan

Care-giver Training – As part of the *Life Safety Code*, and as adopted by Chapter 120-3-3 of the Rules and Regulations of the Georgia Safety Fire Commissioner all employees (directors, operators and all staff members) must have a certificate of training for successful completion of the five (5) hour initial fire safety training. Every three (3) years from the date the initial training is received, all employees must have a certificate of training for successful completion of two (2) hours of fire safety refresher training. If, upon hire, you do not have a current certificate you will be required to secure a current certificate within 90-days of employment. You are expected to keep your certifications required for employment up-to-date, be aware of the expiration date and make accommodations to maintain your records. Failure to do so could result in corrective action, which may include termination of employment.

All employees are required to attend fire safety and evacuation in-service training as part of their initial orientation and as scheduled throughout the year as a refresher.

Fire and/or disaster drills are held periodically to ensure the safety of residents, staff and visitors. Each staff member is responsible for reviewing the fire and disaster plan, becoming thoroughly familiar with its contents, and participating in the planned fire safety training programs.

Driver Safety

Orchard has established a Fleet Safety policy to provide guidelines in managing our Company vehicles and drivers to reduce the risk of accidents and injuries. Only an employee may operate a Company-owned or leased vehicle. Personal use of Company vehicles is strictly prohibited.

In accordance with Department of Transportation (DOT) drivers operating a 16-passenger vehicle, will be required to have a Commercial Driver's License (CDL). Driver Qualification Files (DQF) as required by the DOT will be maintained for all drivers of Commercial Motor Vehicles. This file includes a Motor Vehicle Record (MVR), current DOT physical, and drug and alcohol testing in accordance with DOT guidelines.

Employees who use their personal vehicles on business are expected to carry liability insurance. You should understand that your personal insurance is primary in case of any accidents or claims. In no circumstance, will the Company be responsible for damage to your vehicle. You are responsible for paying any traffic tickets, citations and/or parking violations.

All drivers must be 21 years of age or older. Drivers must be in possession of a valid driver's license from the state in which he or she resides. While driving on Company

business employees will refrain from using cell phones, regardless of whether the cell phone is used for business or personal use. Orchard also recognizes the dangers of distracted driving. Therefore, it is against Company policy to text, email, or use a hand-held phone or communication device while operating a Company vehicle or while driving a personal vehicle for Company use. If necessary, the use of a hands-free device is required in accordance with all state and local laws and regulations. The use of seat belts and other safety devices is mandatory.

All accidents that occur while on company business must be reported to your community's Business Administration Director.

Smoke-free Environment

To maintain a safe and comfortable working environment and to ensure compliance with applicable laws, smoking and use of tobacco products by employees is prohibited in all of Orchard's communities. Smoking and use of tobacco products are allowed only in designated areas outside of the buildings. If you choose to smoke, it must be during approved breaks and meal periods. Employees smoking or using tobacco products in any non-smoking area will be subject to corrective action, up to and including termination of employment.

Drug-free Workplace

It is Orchard's desire to provide a healthful, safe and drug-free workplace. While on Company premises and while conducting business-related activities off Company premises, no employee may use, possess, distribute, sell or be under the influence of alcohol or illegal drugs. The legal use of drugs prescribed for an employee's personal use is permitted on the job only if it does not impair the individual's ability to perform the essential functions of the job effectively and in a safe manner.

Violations of this policy may lead to corrective action, up to and including termination of employment. Such violations may also have legal consequences.

Drug Testing

To the extent allowable pursuant to local, state, and federal laws, Orchard may require employees and volunteers to submit to testing for illegal drugs. This will be accomplished prior to employment with Orchard, and any time you are involved in a work-related injury or accident. Orchard may test for illegal drugs any time for any reason, with or without probable cause or reasonable suspicion. Refusal to consent to test or to release the disclosure of test results to appropriate personnel of Orchard will result in corrective action, which may include termination of employment for a first offense.

Alcohol Testing

To the extent allowable under state and federal laws, Orchard may require employees and volunteers to undergo alcohol testing under certain circumstances. The following types of testing may be conducted: pre-employment, reasonable suspicion/cause, post-accident and/or random as prescribed by the Department of Transportation. You must consent to be tested if management requests, as a condition of continued employment. Employees and volunteers are required to sign appropriate consent and disclosure forms. Refusal to consent to test or to release the disclosure of test results to appropriate personnel of Orchard will result in corrective action, which may include termination of employment for a first offense.

Drug and Alcohol Testing Procedure

In all instances of testing for drugs or alcohol, Orchard follows procedures to ensure the integrity of the sample and your confidentiality. Each community will identify appropriate outside collection centers and make arrangements for the centers to collect all specimens. If you alter or try to alter a urine specimen for the purpose of altering results of a drug test, you shall be subject to corrective action up to and including termination of employment.

In the event, reasonable suspicion exists that you are under the influence of alcohol or drugs, you will be provided transportation to the site where the test will be performed.

All positive findings are subject to review by competent medical personnel to interpret and ensure that no false positives or otherwise explainable results are misinterpreted. A physician selected by, or in the employ of the outside contractor will perform these services on an "as needed" basis. To the extent permitted by law, if your drug or alcohol test result is confirmed positive, and you cannot show that the result was from legally obtained and properly used drugs or medication, your employment will be terminated.

An employee who tests positive, but is not terminated, will not be allowed to work until the individual has successfully completed assessment and/or treatment and has been certified by a qualified professional as free from the use of alcohol and/or drugs. If your drug test result is positive, you have the right to have the previously collected specimen retested at your own expense. The cost of the retest is your financial responsibility. If your test must be redone, you will be unable to work until the results of the retest are received. If the test returns negative, you will be reimbursed for the cost of the retest.

Orchard will report results per government regulations. Orchard is required to report positive results on employees or prospective employees to the Department of Transportation or other government agencies. In addition, licensed health care professionals found to be impaired using alcohol and/or other drugs will be subject to the corrective procedures of their respective state Department of Regulation and Licensing.

All drug and alcohol test results are considered confidential. Access to these records will be limited to those who have a business need to know. If you want a copy of your drug or alcohol test result you may make a written request. You are responsible for paying any charges related to the copy request.

Work Injury Reporting

If you are injured on the job or witness to an accident/incident while working, you must immediately report it to your supervisor or the individual in charge so that he or she can ensure you or the employee involved receive proper care and treatment. This person will assist you in securing any necessary medical attention, including on-site first aid or referral to an outside medical provider. As determined by applicable state law, you may have the right to secure treatment from the physician of your choice. However, we recommend that you seek medical services from our designated medical provider. The physicians at these centers are familiar with the type of work performed by our employees and will render appropriate treatment of any injury. After treatment, you must return to work for the remainder of your shift (unless ordered otherwise by the treating physician) and Orchard will accommodate any necessary work restrictions.

You are required to complete an injury/illness report and investigation form within 24 hours of the incident. This reporting requirement assists Orchard in monitoring safety practices and acting as needed to prevent future injuries.

Orchard is committed to maintaining a drug-free and alcohol-free workplace. Employees involved in work-related incidents that require medical treatment from an outside medical provider or that result in lost time from work beyond the date of injury will be required to submit to a drug/alcohol screening.

Workers' Compensation Insurance

Employees are provided workers' compensation insurance coverage from the day they begin working. This insurance provides protection against medical expenses incurred as the result of a work-related injury or illness. It also provides income if you are unable to work because of a work-related injury or illness.

Questions regarding workers' compensation should be directed to the Business Administration Director.

Return to Work Authorization

To decrease the risk of infection and to prevent injury, you may be required to obtain a return to work authorization from a physician if you are absent from work due to illness or injury. If you need an accommodation to return to work you must request such accommodation prior to the date you intend to return to work. A reasonable accommodation may not be available.

Workplace Violence

Orchard is concerned about the increased violence in society, which has also filtered into many workplaces. The Company has taken steps to help prevent incidents of violence from occurring at the workplace. Orchard expressly prohibits any acts or threats of violence or bullying by any employee or former employee against any other employee in or about Company communities or elsewhere at any time. Orchard will not condone any acts or threats of violence against our employees, residents or visitors on Company premises at any time or while engaged in business with or on behalf of Orchard, on or off Company premises.

In keeping with our mission and values, these guidelines ensure Orchard is committed to the following:

- Providing a safe and healthful work environment.
- Taking prompt remedial action up to and including termination of employment against any employee who engages in any threatening behavior or acts of violence or who uses any abusive or threatening language or gestures.
- Taking appropriate action when dealing with residents, former employees, or visitors to Orchard communities who engage in such behavior. Such action may include notifying the police or other law enforcement personnel and prosecuting violators of this policy to the maximum extent of the law.
- Prohibiting employees, former employees, residents and visitors from bringing firearms or other weapons onto Orchard premises.
- Maintaining viable security measures to attempt to ensure that Orchard communities are safe and secure to the maximum extent possible and handling proper access to Orchard communities by the public, off-duty employees and former

employees.

Any employee who commits or threatens any violent act against any person while on Company premises or at a work function will be subject to corrective action, up to and including termination of employment. Employees have a duty to warn their supervisors, security personnel or Human Resources of any suspicious person, workplace activity, situation or incident they observe or are aware of, whether involving other employees, former employees, residents or visitors. This includes threats or acts of violence, aggressive behavior, offensive acts, threatening or offensive comments or remarks, and the like. Employee reports made pursuant to this policy will be held in confidence to the maximum possible extent. Orchard will not condone any form of retaliation against any employee for making a good faith report under this policy.

Weapons

Employee possession of weapons in any community, or within the close proximity of residents, visitors or co-workers, including but not limited to firearms and knives, presents the possibility of danger in the workplace and therefore is in violation of our safety policy and prohibited. The possession of such articles is proper cause for corrective action up to and including termination of employment. Possession of a permit to carry such weapons by any local, state, or federal jurisdiction does not alter this prohibition in the workplace.

Natural and Civil Disasters

Orchard will declare an emergency situation if severe weather conditions or emergency situations arise that would put the employees' safety in jeopardy by attempting to report to work. These situations include weather events such as severe snowstorms, ice storms, hurricanes, floods, tornadoes and other severe conditions such as earthquakes, fire, power outages, disruption of transportation or a declaration of a "state of emergency."

The operations of our communities are ongoing and depend on having staff members present each day on time. Therefore, it is important that you report to work despite inclement weather conditions. We urge you to apply good judgment to your individual situation. If it is possible to get to work despite inclement weather, allow plenty of time. If you drive, do so carefully. Employees are encouraged to use public transportation or carpools to get to work. If you have made every effort to get to work but are unable to do so, call your supervisor to explain your situation.

In an effort to help employees work as scheduled on inclement weather days, management may provide transportation to and from work in a manner deemed to be safe. If management makes such arrangements, employees are expected to accept the transportation and report to work. Failure to accept the transportation may result in corrective action up to and including termination of employment.

In the event of a staffing shortage, management has the authority to require employees to remain on the job after the end of their scheduled shift. If management declares an adverse weather emergency, management reserves the right to request that staff members who are present at the time the adverse weather emergency is called to remain on site if the employee's job duties are essential to the safe delivery of resident care or business operations.

MISCELLANEOUS

Bulletin Boards

Bulletin boards are maintained to help keep you informed about important information. To ensure employees have access to posted information, bulletin boards are located in the timeclock room and the employee breakrooms.

The bulletin boards are used to communicate official government information on equal employment opportunity, wage and hour, health and safety and other issues. They also are used to communicate information about Orchard policies and business announcements, such as job postings, safety rules, benefit programs and notices announcing special events. All postings require the prior approval of the Business Administration Director or the Executive Director. Unauthorized postings will be removed.

Lockers

Overcoats, backpacks, purses, packages and other personal items such as cell phones or pagers are not permitted in your immediate work area. Employee lockers may be provided to store your personal items. Locker use is on an as-available basis. There is no right of privacy with lockers or any containers on Company property. Orchard reserves the right to inspect lockers at any time for any reason without advance notice. Employees who bring personal property to the workplace do so at their own risk. Orchard will not assume responsibility for loss of personal property

Parking

On-site parking privileges in designated areas are made available to employees. Employees are expected to operate their vehicles properly and safely. Abuse of parking privileges may result in corrective action. Do not leave valuables in your car and be sure to lock the doors. Orchard will not assume responsibility for personal damage or loss to your vehicle or its contents. Orchard reserves the right to search any vehicle parked on Orchard premises. Parking in areas designated for residents can result in disciplinary action and/or having your vehicle towed away at your expense.

Off-duty Access to the Community

During off-duty hours, employees are prohibited from being inside the community for any reason except to visit a resident who has invited the employee to visit, pick up a paycheck or attend a staff meeting. An employee who returns to the community outside of working hours is considered a visitor and is subject to the same restrictions applicable to visitors to the community.

Solicitation and Distribution

The most important part of our jobs is creating and maintaining an atmosphere where our residents feel at home and receive the best possible care and service. It is important to treat our residents and their family members well so that they would not think of going anywhere else. To achieve these goals, it is important to avoid all conduct that interferes with the work of others and to follow a few basic policies concerning solicitation and/or the distribution of literature and other materials. Solicitation includes, but is not limited to, promoting or selling cosmetics, clothing, or jewelry; merchandise or food items for school fundraisers; or charity fundraising unrelated to Orchard-sanctioned charity drives.

- Non-employees may not engage in solicitation, distribution, or trespassing of any kind at any time on Orchard premises.

- Solicitation by employees in work areas is prohibited at all times. Solicitation in other areas is prohibited during working time. Solicitation of any resident is prohibited at all times. Distribution of literature or other material by employees in a working area is prohibited at all times. Distribution in other areas is prohibited during working time.
- For purposes of these rules, "working time" means that time when the person doing the soliciting or distributing or the person being solicited or receiving the distribution is or should be working. Working time does not include meal periods or other breaks from work. The term "work area" includes all resident care areas, residents' rooms, hallways, nursing stations, elevators, corridors, labs and other areas where employees perform resident care and activities.

Cameras and Tape Recording

For security and resident privacy reasons, cameras, photography, videography and/or tape recording equipment will not be permitted on Company premises except when expressly authorized by a member of the management team. The use of cell phones or cameras to produce electronic images (photographs) and the use of tape recording/listening devices is strictly prohibited to ensure the privacy of our residents, visitors, and employees. A violation of this provision will lead to disciplinary action up to and including termination of employment.

Media Inquiries

From time to time, media (newspapers, television and radio stations) may be interested in events and activities occurring in Orchard communities. Whenever contact may be received from reporters or members of the media contact, please direct all inquiries to the Executive Director. For adverse incidents, communities should politely decline requests for media interviews, take the reporter's name, name of publication or broadcast station, phone number, nature of the inquiry and deadline; then explain that a Company spokesperson will contact them. All media inquiries should be forwarded only to the Executive Director of the community.

Visitors In the Workplace

All visitors, including family members or friends of employees, must enter our communities at the main entrance or designated reception area and may be required to sign in and out in accordance with community practice. While working, employees are not to receive personal visitors unless they have management's approval or it is an emergency. Employees are responsible for the conduct and safety of their visitors. Children and other visitors of employees are not permitted to enter areas of the community not open to the general public at any time.

Workplace Searches

To safeguard the property of our employees, our residents and Orchard, and to help prevent the possession, sale, or use of illegal drugs on Company premises, Orchard reserves the right to search any employee's office, desk, files, locker, vehicles, or any other area or article on our premises. All offices, desks, files, lockers are the property of Orchard and are issued for the use of employees only during their employment. Orchard also reserves the right to question employees and all other persons entering and leaving Company premises and to inspect any packages, parcels, purses, handbags, briefcases, lunchboxes, clothing, or any other possessions or articles carried to and from Orchard property. Inspections may be conducted at any time at the discretion of management.

Persons requesting entrance to the premises who refuse to cooperate in a workplace search or inspection will not be permitted to enter the premises. Employees working on, or entering or leaving, the premises who refuse to cooperate in an inspection, as well as employees who after an inspection and investigation are found to be in possession of stolen property, illegal drugs or other prohibited items, will be subject to corrective action up to and including termination of employment. Local law enforcement may be notified.

YOUR RELATIONSHIP WITH OUR RESIDENTS

Resident Rights

Federal and state laws mandate the rights afforded to each person living in an Orchard community. Orchard has policies that specify the resident rights, as well as dedicated staff members who honor these rights. Each of our residents has the right to fair, courteous and equal treatment from each member of the Orchard staff. As required by applicable state law, you may receive a copy of the Resident Rights and may be requested to sign a form acknowledging receipt and understanding of the rights.

Resident Care

Kindness and understanding are necessary to create the desired resident environment. Relatives and visitors are often under great emotional strain. They are guests and are entitled to respect, politeness, empathy and consideration. If a visitor unknowingly violates a Community rule or asks you to do something you are not permitted to do, explain the situation to the person with kindness and respect. Please direct them to your supervisor and/or Executive Director if you feel further clarity and/or explanation is needed.

Many duties will often take you into the living spaces of residents. These spaces are the private and personal homes of the residents. Respect and protect the residents' rights to personal privacy at all times. Your privilege to enter their homes is for the sole task of providing the service(s) assigned to you. This privilege carries with it a responsibility to behave in a respectful, honest and trustworthy manner.

While working with our residents, please practice the following:

- Respect their privacy and maintain confidentiality with respect to our residents and their families. This is their home. In addition, please also respect the privacy and maintain confidentiality of your fellow employees and the company as a whole.
- Residents have the right to select their providers of choice. They also have the right to decline services.
- The health status of our residents is considered “theirs” and is “protected health information”. It must be kept confidential.
- When in the presence of our residents, you must speak a language our residents understand. *(When not in the presence of residents, such as in break rooms, kitchen, offices, etc., you are welcome to speak any language as long as it doesn't interfere with your ability to perform your job, work with others and does not exclude other employees present from participating in the discussion).*
- Personal relationships with any individual resident(s) that have the potential to or may be perceived as providing special treatment or favoritism or have the potential to become disruptive to the community are considered conflicts of interest.
- You should not perform work for the resident that is not part of your assigned responsibilities or duties either during or after work. Please alert your supervisor if additional duties are being needed and/or requested so they can assess and set up the appropriate plan of care for the resident.
- You are not permitted to accept private employment with residents or their families while employed at Orchard.
- You are never to witness any documents.
- You may not be named as executor of a resident's estate or be designated "Power of Attorney" for a resident.

- You may not accept gifts, cash, loans or favors from residents or their families.
- You may not attempt to sell items or services to, purchase items or services from, or enter into any transaction or work arrangement with residents or their families without the prior written consent of the Executive Director.

Resident Abuse

Any form of abuse or neglect of residents is prohibited and will not be tolerated. If you are found to be abusive to residents in any way, you are subject to immediate dismissal and you may be arrested. You may have legal charges brought against you depending upon the facts of the incident. You will also be reported to the appropriate law enforcement and licensing authorities according to state and federal regulations.

Abuse is any act, failure to act or incitement to act done willingly, knowingly or recklessly through words or physical action which causes or could cause mental or physical injury, harm, or death to a resident. This includes verbal, financial, sexual, mental/psychological or physical abuse. If the incident involves sexual abuse or serious physical abuse, it must first be reported to the local police department. Examples of abuse include, but are not limited to the following conduct:

- Physical abuse (includes, but is not limited to, hitting, slapping, pushing, pinching, kicking, patting, etc.)
- Corporal punishment for the purpose of controlling behavior (includes, but not limited to, hitting, isolation, restraint, humiliation, etc.)
- Involuntary seclusion
- Involuntary restraint for employee's convenience and/or punishment
- The use of any oral, written or gestured language that includes disparaging or derogatory terms to a resident or within the resident's hearing distance, regardless of the resident's age, ability to comprehend or disability
- Sexual harassment, sexual coercion, or sexual assault
- Humiliation, harassment, threats of punishment or deprivation
- Unauthorized taking of any resident's property including, but not limited to, medications, funds or personal items

Neglect is deprivation of life's necessities of food, water, or shelter or failure of an individual to provide services, treatment or care to a resident which causes or could cause mental or physical injury, harm, or death to a resident.

Reporting Resident Abuse

You are required by law to report any form of abuse or neglect that you observe immediately to your Executive Director and/or supervisor. Provide the name of the resident, the employee involved, the time, date, place and description of what occurred. If you fail to do so, you may be subject to corrective action, up to and including termination of employment.

Management will then notify the appropriate state licensing authorities as well as any applicable state or local authorities. The Orchard Communication and Candor Line is available to report concerns about resident care or resident abuse.

Gifts and Gratuities

Orchard has set the following standards to prevent manipulation or taking advantage of our

residents and to protect you as an employee:

- You may not accept money or gifts from residents or residents' family members, regardless of how nominal.
- In a situation where a resident or family wants to give a gift, you should always explain to the resident/family that is our policy to not accept gifts, however you should always be kind in your approach and appreciative of the gesture. Please notify your direct supervisor and/or your Executive Director.
- You may not take advantage of a resident and solicit any gifts, money or other financial assistance from a resident or resident family member.
- At times this may happen, please speak with your direct supervisor and/or Executive Director in the event someone approaches you in this way.

Orchard makes available an Employee Holiday Fund which provides opportunity for residents and families to make donations throughout the year to recognize employees. During the end of year holidays, the donations are shared/distributed amongst the employees.

HIPAA and Resident Privacy

Orchard respects and protects the confidentiality of our residents' personal information and follows the privacy and security requirements of the Health Insurance Portability and Accountability Act (HIPAA), where applicable, as well as any state law requirements protecting patient privacy. You should only reveal personal and confidential information concerning a resident for legitimate care, treatment or payment purposes unless authorized by the resident or otherwise permitted by law.

We will only share confidential information with you regarding Orchard operations when you have a legitimate business purpose or need to know the information to perform your job.

We will maintain confidential information, including financial data and employee related information, in a confidential and secure manner according to relevant policies and applicable law.

ACKNOWLEDGMENT OF REVIEW OF EMPLOYEE MANUAL

By signing this form, I acknowledge that I have received a copy of this Orchard Employee Handbook. I acknowledge that it is my responsibility to read the Handbook and comply with the terms of the Handbook. Additionally, I specifically acknowledge the following:

- I agree to comply with the policies and procedures of the Company as set forth in the Handbook. If I do not understand the Handbook, I understand it is my responsibility to ask for clarification. Orchard has the right to assume that if I fail to ask for clarification of any issue or policy contained in the Handbook, I understand the entire Handbook.
- This Handbook does not create a contract of employment, express or implied, between Orchard and me and I should not view it as such, or as a guarantee of employment for any specific duration. I acknowledge my employment with Orchard is on an at-will basis. Accordingly, either Orchard or I can terminate the at-will relationship at any time, with or without cause or prior notice.
- I agree to comply with Orchard's policy forbidding abuse, neglect and/or exploitation of a resident and I understand my obligation to immediately report such behavior including injuries of an unknown source or alleged behavior, as set forth in Orchard's policy.
- I understand that all information pertaining to the residents is confidential and privileged and must never be discussed with other visitors or families. I agree to only release resident information as set forth in Orchard's policy and in accordance with state and federal laws.
- I agree to Orchard's Employment Binding Arbitration policy regarding any disputes that arise between Orchard and me and I agree to arbitrate the dispute by a final binding arbitration.
- I agree to be subject to Orchard's policy regarding screening for drugs, criminal background, and licensure checks which may be conducted any time during employment randomly and with or without cause.
- I agree that I will not discriminate against any employee, resident or other person at the community due to race, creed, gender, religious affiliation or physical disability. I will treat all persons fairly and equally.
- I acknowledge that any debts owed the Company can be deducted from my paycheck(s), including my final paycheck.
- I acknowledge that the Company's policies and procedures may be changed, interpreted, withdrawn, or added to by the Company at any time at the Company's sole option and without prior notice to me and that after I have been advised of such changes, I will be responsible for adhering to any new policies.

This form will remain in my personnel file as long as I am employed by the Community.

Employee Name (print)

Employee Signature

Date